

# Appendix I

## DELTA REGIONAL AUTHORITY: AWARD ADMINISTRATION

### Administrative Program Requirements

All awardees will be subject to all applicable federal laws and regulations, including the Office of Management and Budget (OMB) Uniform Guidance and the terms and conditions of the award. The grant(s) awarded under this NOFA will be subject to the following administrative standards and provisions.

- i. Nonprofit Organizations, Educational Institutions, For-profit Entities, and State, Local, and Indian Tribal Governments—2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards)
- ii. All recipients must comply with the applicable provisions of the Workforce Innovation and Opportunity Act (WIOA), Public Law No. 113-328, 128 Stat. 1425 (codified as amended at 29 U.S.C. 3101 et. seq.) and the applicable provisions of the regulations at 20 CFR Part 675 et. seq. Note that 20 CFR Part 683 (Administrative Provisions) allows unsuccessful applicants to file administrative appeals.
- iii. All entities must comply with 29 CFR Part 93 (New Restrictions on Lobbying), 29 CFR Part 94 [Government-wide Requirements for Drug-Free Workplace (Financial Assistance)], 2 CFR Part 180 [OMB Guidance to Agencies on Government-wide Debarment and Suspension (Non-procurement)], and, where applicable, 2 CFR Part 200 (Audit Requirements).
- iv. All entities must comply with the Infrastructure Investment and Jobs Act (IIJA) and the Build America, Buy America Act (the Act), Pub. L. No. 117-58, §§ 70901-52, as well as the Executive Memorandum M-22-11, dated April 18, 2022, Initial Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure.

### **The Act requires the following Buy America Preference:**

- 1) All iron and steel used in the project are produced in the United States. This means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.
- 2) All manufactured products used in the project are produced in the United States. This means the manufactured product was manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55% of the total cost of all components of the manufactured product unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law

or regulation.

- 3) All construction materials are manufactured in the United States. This means that all manufacturing processes for the construction material occurred in the United States.

Pursuant to Section 70914(c) of the Act, DRA may waive the application of a Buy America Preference under an infrastructure program in any case in which the Federal Co-Chair of DRA finds that:

- 1) applying the domestic content procurement preference would be inconsistent with the public interest (a “public interest waiver”);
- 2) types of iron, steel, manufactured products or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality (a “nonavailability waiver”); or
- 3) the inclusion of iron, steel, manufactured products or construction materials produced in the United States will increase the cost of the overall project by more than 25% (an “unreasonable cost waiver”).
  - i. Nondiscrimination on the Basis of Handicap in Programs or Activities Receiving Federal Financial Assistance.
  - ii. Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance from the DRA pursuant to the Age Discrimination Act of 1975, as amended. The Act prohibits discrimination on the basis of age by recipients of federal financial assistance and in federally assisted programs or activities but permits the use of certain age distinctions and factors other than age that meet the requirements of the Act.
  - iii. Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance pursuant to Title IX of the Education Amendments of 1972, as amended (except sections 904 and 906 of those Amendments) ([20 U.S.C. 1681, 1682, 1683, 1685, 1686, 1687, 1688](#)), which is designed to eliminate (with certain exceptions) discrimination on the basis of sex in any education program or activity receiving federal financial assistance, whether or not such program or activity is offered or sponsored by an educational institution as defined in these Title IX regulations.
  - iv. Implementation of the Nondiscrimination and Equal Opportunity Provisions of the Workforce Innovation and Opportunity Act.
  - v. Labor Standards for the Registration of Apprenticeship Programs and Equal Employment Opportunity in Apprenticeship and Training, as applicable.
  - vi. DRA will follow the procedures outlined in the agency’s Freedom of Information Act (FOIA) policy. If DRA receives a FOIA request for your application, the procedures in

DRA's FOIA policies for responding to requests for commercial/business information submitted to the government will be followed, as well as all FOIA exemptions and procedures. See generally 5 U.S.C. § 552

## Other Legal Requirements

- a) **Religious Activities:** DRA notes that the Religious Freedom Restoration Act (RFRA), 42 U.S.C. § 2000bb, applies to all federal law and its implementation. If an applicant organization is a faith-based organization that makes hiring decisions on the basis of religious belief, it may be entitled to receive federal financial assistance under this grant solicitation and maintain that hiring practice. Religious organizations are eligible, on the same basis as any other organization, to seek DRA support or participate in DRA programs for which they are otherwise eligible.
- b) **Lobbying or fundraising the U.S. Government with Federal Funds:** In accordance with Section 18 of the Lobbying Disclosure Act of 1995 (Public Law 104- 65) (2 U.S.C. § 1611), nonprofit entities incorporated under Internal Revenue Service Code section 501(c)(4) that engage in lobbying activities are not eligible to receive federal funds and grants. No activity, including awareness-raising and advocacy activities, may include fundraising for, or lobbying of, U.S. federal, state or local governments (see 2 CFR 200.450 for more information).
- c) **Transparency Act Requirements:** You must ensure that you have the necessary processes and systems in place to comply with the reporting requirements of the Federal Funding Accountability and Transparency Act of 2006 (Pub. Law 109-282, as amended by the Government Funding Transparency Act of 2008, Pub. Law 110-252, Title VI, Chap. 2, Sec. 6202), as follows.
  - i. Except for those excepted from the Transparency Act under subparagraphs 1, 2 and 3 below, you must ensure that you have the necessary processes and systems in place to comply with the subaward and executive total compensation reporting requirements of the Transparency Act, should you receive funding.
  - ii. Upon award, you will receive detailed information on the reporting requirements of the Transparency Act, as described in 2 CFR Part 170, Appendix A, which can be found at <https://edocket.access.gpo.gov/2010/pdf/2010-22705.pdf>.

The following types of awards are not subject to the Federal Funding Accountability and Transparency Act.

- a) Federal awards to individuals who apply for or receive federal awards as natural persons (e.g., unrelated to any business or nonprofit organization he or she may own or operate in his or her name).
- b) Federal awards to entities that had a gross income, from all sources, of less than \$300,000 in the entities' previous tax year; and

- c) Federal awards if the required reporting would disclose classified information. Safeguarding Data Including Personally Identifiable Information (PII). Applicants submitting applications in response to this NOFA must recognize that confidentiality of PII and other sensitive data is of paramount importance to the Delta Regional Authority and must be observed except where disclosure is allowed by the prior written approval of the Grant Officer or by court order. By submitting an application, you are assuring that all data exchanges conducted through or during the course of performance of this grant will be conducted in a manner consistent with applicable federal law and TEGL 39-11 (issued June 28, 2012). All such activity conducted by recipient(s) will be performed in a manner consistent with applicable state and federal laws.

By submitting a grant application, you agree to take all necessary steps to protect such confidentiality by complying with the following provisions that are applicable in governing the handling of confidential information: You must ensure that PII and sensitive data developed, obtained, or otherwise associated with DRA-funded grants is securely transmitted.

- i. To ensure that such other sensitive data transmitted via email or stored on CDs, DVDs, thumb drives, etc., must be encrypted using a Federal Information Processing Standards (FIPS) 140-2 compliant and National Institute of Standards and Technology (NIST) validated cryptographic module. You must not email unencrypted sensitive PII to any entity, including DRA or contractors.
- ii. You must take the steps necessary to ensure the privacy of all PII obtained from participants and/or other individuals and to protect such information from unauthorized disclosure. You must maintain such PII in accordance with the DRA standards for information security and any updates to such standards we provide to you. Awardees who wish to obtain more information on data security should contact their Federal Project Officer.
- iii. You must ensure that any PII used during the performance of your grant has been obtained in conformity with applicable federal and state laws governing the confidentiality of information.
- iv. You further acknowledge that all PII data obtained through your DRA grant must be stored in an area that is always physically safe from access by unauthorized persons and the data will be processed using recipient-issued equipment, managed information technology (IT) services, and designated locations approved by DRA. Accessing, processing and storing of DRA grant PII data on personally owned equipment, at off- site locations (e.g., employee's home), and non-recipient managed IT services (e.g., Yahoo mail), is strictly prohibited unless approved by DRA. Your employees and other personnel who will have access to sensitive/confidential/proprietary/private data must be advised of the confidential nature of the information, the safeguards required to protect the information, and that there are civil and criminal sanctions for noncompliance with such safeguards that are contained in federal and state laws.

- v. You must have policies and procedures in place under which your employees and other personnel, before being granted access to PII, acknowledge their understanding of the confidential nature of the data and the safeguards with which they must comply with their handling of such data, as well as the fact that they may be liable to civil and criminal sanctions for improper disclosure.
  - vi. You must not extract information from data supplied by DRA for any purpose not stated in the grant agreement.
  - vii. Access to any PII created by the DRA grant must be restricted to only those employees of the grant recipient who need it in their official capacity to perform duties in connection with the scope of work in the grant agreement.
  - viii. All PII data must be processed in a manner that will protect the confidentiality of the records/documents and is designed to prevent unauthorized persons from retrieving such records by computer, remote terminal or any other means. Data may be downloaded to, or maintained on, mobile or portable devices only if the data is encrypted using NIST-validated software products based on FIPS 140-2 encryption. In addition, wage data may be accessed only from secure locations.
  - ix. PII data obtained by the recipient through a request from DRA must not be disclosed to anyone but the individual requestor, except as permitted by the Grant Officer or by court order.
  - x. You must permit DRA to make onsite inspections during regular business hours for the purpose of conducting audits and/or conducting other investigations to ensure that you are complying with the confidentiality requirements described above. In accordance with this responsibility, you must make records applicable to this agreement available to authorized persons for the purpose of inspection, review and/or audit.
  - xi. You must retain data received from DRA only for the period required to use it for assessment and other purposes or to satisfy applicable federal records retention requirements, if any. Thereafter, you agree that all data will be destroyed, including the degaussing of magnetic tape files and deletion of electronic data.
- b) **Record Retention:** You must follow federal guidelines on record retention, which require that you maintain all records pertaining to grant activities for a period of at least three years from the date of submission of the final expenditure report. See 2 CFR 200.333-.337 for more specific information, including information about the start of the record retention period for awards that are renewed quarterly or annually and when the records must be retained for more than three years.
- c) **Use of Contracts and Subawards:** You must abide by the following definitions of contract, contractor, subaward and subrecipient.
- **Contract:** Contract means a legal instrument by which a non-federal entity

(defined as a state or local government, Indian tribe, institution of higher education (IHE), nonprofit organization, for-profit entity, foreign public entity, or a foreign organization that carries out a federal award as a recipient or subrecipient) purchases property or services needed to carry out the project or program under a federal award. The term as used in this NOFA does not include a legal instrument, even if the non-federal entity considers it a contract when the substance of the transaction meets the definition of a federal award or subaward (see definition of Subaward below).

- **Contractor:** Contractor means an entity that receives a contract as defined above in contract.
- **Subaward:** Subaward means an award provided by a pass-through entity (defined as a non-federal entity that provides a subaward to a subrecipient to carry out part of a federal program) to a subrecipient for the subrecipient to carry out part of a federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual who is a beneficiary of a federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.
- **Subrecipient:** Subrecipient means a non-federal entity that receives a subaward from a pass-through entity to carry out part of a federal program but does not include an individual who is a beneficiary of such program. A subrecipient may also be a recipient of other federal awards directly from a federal awarding agency.

You must follow the provisions at 2 CFR 200.330-.332 regarding subrecipient monitoring and management. Also, see 2 CFR 200.308(c)(6) regarding prior approval requirements for subawards. When awarding subawards, you are required to comply with provisions on government-wide suspension and debarment found at 2 CFR Part 180 and codified at 2 CFR Part 2998.

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a) **Closeout of Grant Award**

- i. Any entity that receives an award under this announcement must close its grant with DRA at the end of the final year of the grant.
- ii. The goal of the Grants Oversight and New Efficiency (GONE) Act is to close out expired grants. The GONE Act requires the Office of Management and Budget (OMB) to instruct each agency, in coordination with the Department of Health and Human Services (HHS), to submit to Congress and HHS by December 31 of the first calendar year, beginning after this Act's enactment, a report that:
  - a. Lists each federal grant award held by such agency;
  - b. Provides the total number of federal grant awards, including the number of grants by time period of expiration, the number with zero-dollar balances, and the number with undisbursed balances;
  - c. Describes the challenges leading to delays in grant closeout; and

- d. Explains, for the 30 oldest federal grant awards, why each has not been closed out.

The covered grants are those within an agency's cash payment management system that have been expired for two or more years and have not been closed out. No later than one year after the head of an agency submits its report, the agency head will notify HHS whether the agency has closed out the covered grants discussed in its report. HHS is required to compile this information and provide it to Congress.

## Other Administrative Standards and Provisions

Except as specifically provided in this NOFA, our acceptance of an application and an award of federal funds to sponsor any programs(s) does not provide a waiver of any grant requirements and/or procedures. For example, the OMB Uniform Guidance requires that an entity's procurement procedures ensure that all procurement transactions are conducted, as much as practical, to provide full and open competition. If an application identifies a specific entity to provide goods or services, the award does not provide the justification or basis to sole source the procurement (i.e., avoid competition).

## Special Program Requirements

- a) **DRA Evaluation:** As a condition of a grant award, awardees are required to participate in an evaluation if undertaken by DRA. The evaluation may include an implementation assessment across awardees, an impact and/or outcomes analysis of all or selected sites within or across awardees, and a benefit/cost analysis or assessment of return on investment.

Conducting an impact analysis could involve random assignment (which involves random assignment of eligible participants into a treatment group that would receive program services or enhanced program services or into control group(s) that would receive no program services or program services that are not enhanced). We may require applicants to collect data elements to aid the evaluation. As a part of the evaluation, as a condition of award, awardees must agree to

- i. make records available to the evaluation contractor on participants, employers and funding;
- ii. provide access to program operating personnel, participants, operational and financial records, and any other relevant documents to calculate program costs and benefits; and
- iii. in the case of an impact analysis, facilitate the assignment by lottery of participants to program services, including the possible increased recruitment of potential participants; and
- iv. follow evaluation procedures as specified by the evaluation contractor under the

direction of DRA.

- b) **Performance Goals:** Please note that applicants will be held to the outcomes provided, and failure to meet those outcomes may result in technical assistance or other intervention by DRA and may also have a significant impact on decisions about future grants with DRA.

## Definitions

**Construction Materials:** Construction materials include an article, material or supply – other than an item of primarily iron or steel; a manufactured product; cement and cementitious materials; aggregates such as stone, sand or gravel; or aggregate binding agents or additives – that is or consists primarily of

- non-ferrous metals;
- plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables);
- glass (including optic glass);
- lumber; or
- drywall.

**Domestic Content Procurement Preference:** Domestic content procurement preference means all iron and steel used in the project are produced in the United States; the manufactured products used in the project are produced in the United States; or the construction materials used in the project are produced in the United States.

**Infrastructure:** Infrastructure, includes at minimum, the structure, facilities and equipment for, in the United States (1) roads, highways and bridges; (2) public transportation; (3) dams, ports, harbors and other maritime systems; (4) intercity passenger and freight railroads; (5) freight and intermodal facilities; (6) airports; (7) water systems, including drinking water and wastewater systems; (8) electrical transmission facilities and systems; (9) utilities; (10) broadband infrastructure; and (11) buildings and real property. Infrastructure includes facilities that generate, transport and distribute energy.

**Project:** Project means the construction, alteration, maintenance or repair of infrastructure in the United States.

## Appendix II

### DELTA REGIONAL AUTHORITY: ELIGIBLE and INELIGIBLE EXAMPLES

#### Eligible Activities and Entities

**Agencies or Entities** – The eligible entity must be organized and legally recognized as either a nonprofit, public institution of higher learning, local form of government, federally recognized tribes, or other local/state entity eligible to receive federal funds. The entity should work closely with the Local Development District (LDD) servicing the project area while developing and submitting the online application. The LDDs certify the project applications are complete and for eligible purposes as part of their role as the authorized technical assistance provider.

**Economic Development** – Eligible activities should include committed industry partners actively seeking to expand or develop new facilities within a community, retaining or hiring individuals from the available labor force, and contributing to the betterment of the community and its surroundings. Economic development activities build upon and support a community’s existing assets as well as grow and nurture new industry segments.

**Category 1: Basic Public Infrastructure** – Projects located in distressed counties/parishes and isolated areas of distress; these projects are defined as follows: Basic Public Infrastructure shall mean water and wastewater facilities, electric and gas utilities, broadband delivery and solid waste landfills, all of which are fundamental services necessary to sustain and promote growth and/or attract business(es), which have a useful life of 20 years or more.

**Category 2: Transportation Infrastructure** – Projects for the purpose of facilitating economic development activities in the region. These projects are defined as follows: transportation infrastructure shall mean basic physical structures needed to support and/or create a transportation system, which shall include local roadways, bridges, rail, port facilities, airports and other structures deemed central to an overall transportation system.

**Category 3: Business Development, with an emphasis on entrepreneurship** – Business Development shall mean those areas and efforts that include small business, entrepreneurship, the creation of new businesses, and the retention or expansion of existing businesses in local communities.

**Category 4: Job Training or Employment-Related Education, with an emphasis on the use of existing public educational institutions located in the region** – Projects for the purpose of conducting industry-driven job skills training or employment-related education, with an emphasis on the use of existing public institutions located in the region. These projects are defined as follows: job training or employment-related education for a specific employer or industry sector to fill immediate job openings or retain current or employment-related education for a specific employer or industry sector to fill immediate job openings or retain current jobs, which are documented as such by the specific employer or industry expert. Delivery of such training shall be by existing public educational facilities (EPEFs) located in the region. Consideration will be given

to other providers where an EPPE cannot be identified.

**Registered Apprenticeship (RA)** – According to the U.S. Department of Labor, Registered Apprenticeship is a proven model of job preparation that combines paid on-the-job training with related instruction to progressively increase workers’ skill levels and wages. Graduates of these programs receive nationally recognized, portable credentials, and their training may be applied toward further post-secondary education. All Registered Apprenticeship programs consist of five core components : direct business involvement, on-the-job training, related instruction, rewards for skill gains, and a national occupational credential. Eligible activities include but are not limited to on-the-job training, job-related curriculum development, training providers, training facility retrofitting, and job training-related equipment and materials.

**Preliminary Site Development** – As needed to complete a larger, committed economic development construction project. Allowable activities may include, but are not limited to, engineering design, architectural planning, environmental assessments, or legal work necessary to secure other funding sources and/or immediately begin the actual construction of the greater project.

**Land Purchase** – To be considered eligible for DRA funding, a committed industry willing to locate or expand operations must be involved, and the eligible entity must retain ownership of the property.

**Equipment or other property purchased for use by a private entity** – Ownership of the property must reside with the awardee, and lease amounts must be based on standard market rates for a long-term lease agreement or industry standard useful life of the asset. A long-term lease agreement is generally defined as 20 years. Depending on the circumstances, consideration would be given to shorter-term lease agreements not less than 10 years.

**Health Improvements** – Projects that address existing health concerns for industry and/or residents as they may relate to water and sewer infrastructure deficiencies.

**Operating Costs** – Project applications that include, as part of the overall project, budget items generally considered “operating costs” shall be deemed allowable when the operating costs are associated with the establishment of a new program or the short-term continuation of a program which is on the path to sustainability and is documented as such.

**Business Incubation** – Organizations committed to the growth and development of startup businesses by providing resources and services to help businesses succeed. These services can include educational workshops or training on technology, business development, startup methodology, market/branding, exporting, direct business mentorship, access to market, access to investors, co-working space, etc. Priority will be given to programming that aims to create sustainable entrepreneurial and high-growth ventures. Funds cannot be awarded to individual entrepreneurs. Funds cannot be awarded to an organization that intends to use the funds as financial investment in entrepreneurs in exchange for company equity.

***New Business/Entrepreneurial Incubator*** – New incubator sites or new incubator expansion projects must demonstrate the commitment of some tenants or provide a plausible methodology for determining the number of unserved potential clientele, all of which must be acceptable to DRA. Projects must prove sustainability without the need for ongoing, long-term financial support from currently un-committed funding sources.

In addition, an application to support a business incubator, technology, or other type of incubator or accelerator, regardless of the type of assistance being requested (i.e., construction or non-construction), must also include:

- a) A completed feasibility study establishing the market demand for the specific startup companies proposed for incubation (technology, general business, biotech, manufacturing, etc.) and the presence of necessary resources and community support;
- b) Documentation with detailed demonstration that the applicant has the financial capacity to operate the facility (if applicable) and reach a positive cash flow within a reasonable period of time, which DRA generally expects to be three years; and
- c) A management plan for operation that, at a minimum, includes a/an:
  - *Tenant/client selection policy* that includes a description of the types of businesses sought and any established selection criteria;
  - *Tenant lease or license agreement* (if applicable) that enumerates the shared services to be provided; delineates the business assistance policy, including the provision of management, technical, and training assistance, and the graduation policy; and establishes periodic access to the tenant’s business records to permit assessment of the financial and operational viability of the tenant’s business;
  - *Business assistance policy* that outlines the various types of assistance they will be provided to startup firms, including how support will be provided to tenants/clients with access to capital needed to grow their businesses successfully;
  - *Staffing plan* that details the talent and resources that will be dedicated to supporting the startup companies accepted;
  - *Tenant graduation policy* that is documented as a provision of the tenant lease or license agreement (if applicable) with clear requirements for tenant graduation from the facility or services; and
  - *Performance plan* that includes how the entity will track the success of tenants/clients, specifically identifying what performance measurement data are proposed to be collected from tenants/clients and for what period during and after the service period the data will be collected. This should also include members of any oversight or policy board that will be responsible for setting performance goals, selecting or approving selections of staff, establishing and reviewing policy, and monitoring performance. Any applicant who proposes a project to support a business incubator, technology, or other type of incubator or accelerator is strongly encouraged to contact their LDD to clarify technical matters involving their

proposed project.

**Employability Skills** – Workforce and business development applications may include, as one component of a more extensive development strategy, a focus on “employability skills.” The overall strategy must be inclusive of other more traditional, industry-driven, job-specific skills, training, and placement assistance.

**Basic Residential Infrastructure** – Basic Public Infrastructure projects for communities in distressed counties/parishes or isolated areas designated distressed in non-distressed counties/parishes may be considered, provided they meet the program requirements set out in other applicable eligibility guidelines.

**Geographic Information Systems (GIS) and Broadband** – Complete and sustainable projects, which are not speculative in nature, create any unfair competitive business advantage within the communities served, nor subsidize for-profit entities.

**Phased Projects** – Applications for early phases of a larger project where projected outcomes will not be realized until a much later time, possibly after other funds are awarded in subsequent cycles, may be considered eligible with proper assurances from relevant project partners. DRA’s involvement in early-phase projects shall not constitute a commitment on DRA’s part for future funding.

**Architectural and Engineering Fees** – A&E fees are considered an allowable expense. However, payment of these fees will be structured as follows: one-third paid upon completion and acceptance of the plans, one-third paid upon receipt of a successful bid, and the final one-third paid upon completion of the work.

## **Ineligible Activities and Entities**

**Youth-oriented activities with no direct connection to entrepreneurship or workforce development** – Ineligible activities would include, but not be limited to, promoting/advocating stay-in-school programs and general K-12 or post-secondary education curriculum with a goal to simply keep children in school for the purposes of obtaining an education and/or receiving a diploma.

**Sub-grants of any type** – Sub-grants are not allowed. Contracts for which the awardee would receive a service as identified in the approved application are allowed and should follow state bid and procurement laws.

**Entities involved in ongoing litigation** – As a prerequisite for receiving an award, the awardee must affirm within the award document package that the entity is not a defendant in litigation pertaining to financial fraud, fraudulent business practices, or any other malfeasance that could reasonably be construed to affect the integrity of the DRA award.

**Pass-through efforts to support or enhance private property or property owners** – Eligible entities receiving an award shall not enter into lease agreements with for-profit entities or individuals for the purpose of equipping or improving private property. This constitutes a pass-through and is not allowable. Likewise, sub-grants, as described above, constitute a pass-through and are not allowable.

**Activities which would constitute a conflict of interest or be considered less than an arm's length transaction** – Any such potential circumstances must be disclosed to DRA, in writing, prior to the application approval phase. DRA will review the disclosure(s) on a case- by-case basis and determine the proper course of action moving forward. Perceived conflicts, identified after funds have been awarded, will result in the delay of payments until evidence can be provided to clarify the relationship(s). Actual conflicts or transactions deemed to be less than arm's length, identified after funds have been awarded, may result in forfeiture of awarded funds, the repayment of expended funds, and/or legal action as deemed appropriate and necessary by DRA.

**Projects that do not conform to the project state's bid, procurement or contract laws** – Lack of familiarity with the bid, procurement, or contract laws in your state will not constitute a defense argument should DRA determine the laws were ignored or not appropriately adhered to.

**Private university-led projects or programs** – DRA will not consider private universities to be eligible to receive federal funds directly or through a pass-through relationship. If a project is determined to be managed and directed by a nonprofit foundation affiliated with the private university, then the foundation could be considered the eligible recipient.

**For-profit entities or individuals** – DRA will not consider for-profit entities to be eligible to receive federal funds directly or through a pass-through relationship. Eligible entities may not be conduits for private sector entities. Property purchased with DRA funding cannot, in turn, be sold or given to a private entity beneficiary. However, DRA can indirectly assist and support the development of for-profits by improving public infrastructure or providing needed workforce training, implemented or delivered by eligible entities.

**Residential developments** – Ineligible activities would include site work in a new residential development or opening additional lots in an existing development, construction of homes or spec-houses, any activity that may directly financially benefit the developer, or running utilities to the site of a future residential development.

**Unsustainable projects** – Unsustainable, as defined by DRA, for the purposes of its funding programs shall mean: the entity conducting the project is and will be dependent upon future federal or state grants, donations, or any other (currently non-committed) funding sources for the entities' normal operating costs, including salaries, program-related travel, etc. DRA support, should the project receive funding, would be limited to one (1) funding cycle. Consideration would be given to continuing the partnership with the same entity for one (1) additional funding cycle if the project scope applied for was substantially different from the original project's scope.

**Financial support of philanthropic and nonprofit foundations** – Applications that request

funding to construct or renovate facilities designed to serve as the organization's headquarters or to support general operating costs will not be considered eligible for funding.

***Uncommitted other project funds*** – Applications that describe, within the budget, most of the funding not yet committed or applied for may be found to be ineligible to receive DRA funding. All projects must be able to begin within 12 months of the notice to proceed and be substantially complete within 24 months.

***Spec-buildings/pads/industrial sites*** – Industrial building(s) constructed by eligible entities for the purpose of attracting unidentified and/or uncommitted tenants as an incentive to locate may be deemed speculative and ineligible to receive DRA funding. Consideration will be given to market-driven, site development projects which have, or have had, a third-party review, validation, and subsequent commitment of investment to the project.

***Marketing or feasibility studies or plans*** – Research and/or studies for the purposes of promoting an area or industry or gathering data necessary for implementing future plans will be deemed speculative and ineligible to receive DRA funding. Studies, plans, nor planning activities will be considered as part of an implementation process in projects, programs, campaigns, or initiatives.

***Community initiatives*** – Activities with no logical (direct) connection to the economic development efforts of a community, such as gardens, parks, entertainment venues, sidewalks, walking/biking trails, beautification projects, sports fields or facilities, community centers, etc., will be deemed ineligible to receive DRA funding.

***Saving or preserving landmarks (historic or otherwise)*** – Applications that describe a need to save or preserve a building, bridge, or other physical structure from further deterioration or demolition with no direct connection to the economic development needs or efforts of a community will be deemed ineligible to receive DRA funding.

***Emergency vehicles, equipment, or accessories*** – Applications for the singular purpose of purchasing emergency vehicles, such as ambulances, fire trucks, police cars, city/county/municipal personnel vehicles, boats, airplanes, etc. or equipping said vehicles or emergency workers, will be deemed ineligible to receive DRA funding. An exception shall be made for purchases that can be directly tied to a specific economic development project within the community, and the purchase will meet the explicit needs of the identified industry partner(s). DRA reserves the right to identify other potential funding for which these type expenses may be allowable.

***Local government facilities or equipment*** – Activities including the construction or renovation of a city hall, courthouse, library, or any facility housing local (city/county/parish) government offices or the purchase of general use equipment for these types of facilities, including voting machines, PCs/laptops, furnishings, etc., are ineligible to receive DRA funding.

***Water meters, as a stand-alone project*** – DRA will not consider applications eligible for funding,

which places a major emphasis on the replacement of unreliable, inoperable water meters. Consideration will be given to project applications that include water meter replacement as a minor part of an overall water system upgrade or extension, provided all work is completed on public property or right-of-way.

***Maintenance and/or deferred maintenance projects*** – Maintenance shall mean the work of keeping something in proper condition or upkeep. Deferred maintenance shall mean to put off, postpone, or procrastinate the act of conducting maintenance. However, consideration will be given to infrastructure projects like the dredging of ports if demonstrated to result in job creation and/or retention. Local/state/federal road, highway, or bridge maintenance projects will not be eligible to receive DRA funding.

***Establishing or supporting educational curriculum*** – DRA will not consider applications eligible for funding that are designed to create or support new or ongoing educational curricula within K-12 or the post-secondary environment. A clear distinction shall be made between standard curricula development and addressing the specific needs of industry

***Leadership programs*** – DRA will not consider applications eligible for funding under the workforce development criteria, which describes a leadership development/capacity-building initiative.

***Indirect cost rate more than 10%*** - DRA's limited resources, when committed to a project, are best utilized for allowable direct programmatic expenses. As a result, DRA has made the determination to discourage indirect costs altogether. However, consideration may be given to allow indirect expenses and/or an approved indirect cost rate not to exceed 10% of the total DRA investment. The preferred scenario would include indirect costs as an in-kind contribution by the applicant.

***Operating costs, as a stand-alone project*** – DRA will not consider applications eligible for funding that only include standard operating costs. DRA investments must also be tied to other direct programmatic expenses, which can be deemed eligible under other funding categories.

***Conferences, symposiums, or meetings*** - DRA will not consider applications eligible for funding that place a major emphasis on conducting conferences, symposiums, meetings, or the like.

***Stipends paid to program participants*** – DRA will not consider stipends an allowable expense. Stipends to cover travel, childcare, tuition, and the like, paid to participants of a program will be considered a conduit to a private entity and, therefore, ineligible to receive DRA funding.

***Office equipment or furnishings*** – DRA will not consider the following items eligible reimbursable expenses: desks, chairs, couches, tables, lamps, laptops, desktop computers, printers, scanners, mobile phones, other mobile devices, televisions, carts, stands, mobile shelving, etc. This list is not intended to be all-inclusive but is provided as examples of ineligible costs.

**Purchasing food items** - DRA will not consider food items an allowable expense. Food and drinks for training sessions will be the responsibility of the awardee.

**Fringe benefits** – In limited circumstances, salaries and fringe benefits are an allowable cost. However, DRA will limit the amount of fringe benefits to no more than 15% of the DRA portion of salaries.

**Work performed on private property** – Project activities conducted on privately held property will be deemed ineligible to receive DRA funding. To be considered an allowable expense, the property owner would be required to grant a permanent easement or right-of-way to the eligible entity and proper access to said property.

**Seasonal or part-time jobs** – Project applications that create or retain only seasonal or part-time jobs will not be considered eligible for DRA funding.

**Project administration fees** – Fees paid to consultants or other outside parties for the express purpose of preparing the DRA application or administering the DRA project funds shall not be considered an allowable expense. LDDs are identified within DRA’s enabling legislation as the principal technical assistance providers and program partners for DRA- supported programs. As program partners, LDDs received administration fees that are not to exceed the set administration fees formula as this is dependent upon the DRA project funding amount.

**Eligible entity exceptions** – 1) entities normally deemed to be eligible but due to prior award history are barred from receiving DRA funding, and 2) eligible entities owing any type of federal “bad debt” are precluded from applying for DRA funding until such time as the federal bad debt is paid in full. Should a scenario arise where a federal bad debt is incurred after a DRA award has been made, any disbursement of award funds will be “swept” by the federal or state agency and applied toward the bad debt. In this circumstance, no further DRA funds would be disbursed, and the awardee would be responsible for repaying the “swept” amount and, potentially, any other DRA funds previously received.

**Backup generators, as a stand-alone project** – DRA will not consider applications eligible for funding that only include purchasing and installing backup generators. Consideration will be given to project applications that include backup generator(s) as a minor part of an overall utility system upgrade. Consideration may be given to this type of project application in extreme emergency and disaster situations.

**Documentation of water/sewer rates** - DRA will consider any Basic Public Infrastructure application lacking any of the following documentation ineligible for funding: 1) current rates, 2) date of last rate study, 3) date of last rate increase, and 4) the percent of uncollected fees. These should be well documented and attached to the application. A copy of the rate study is required as proof the recommended rates were implemented.

**Fire or police stations** – DRA will not consider projects which construct or improve fire or police stations to be eligible to receive federal funds.

*This list of eligible and ineligible activities is not intended to be exhaustive; it is merely provided as a guide to assist in determining typical funding scenarios.*

## **Appendix III**

### **DELTA REGIONAL AUTHORITY: GENERAL INSTRUCTIONS**

#### **Who can apply and receive funding?**

Entities who are eligible to apply for and receive DRA funding include state and local governments (state agencies, city, and county/parish), federally recognized tribes, other public bodies and nonprofit entities with projects in the DRA region. Eligible entities owing any type of state or federal “bad debt” are precluded from applying for DRA funding until such time as the bad debt is paid in full. Should a scenario arise where a bad debt is incurred after a DRA award has been made, any disbursement of funds will be “swept” by the agency owed and applied toward the debt. In this circumstance, no further DRA funds would be disbursed, and the awardee would be responsible for repaying these funds to the DRA.

For-profit entities, while not eligible to apply directly, are a key component of economic development and, in many circumstances, the ultimate beneficiary of the project funding. An eligible entity who owns the property may lease the property, at standard market rates for a long-term lease, to a for-profit for the entity’s benefit. DRA will move to acquire property liens where it is in the best interest of DRA to do so.

Should the awardee ever decide to dispose of the property purchased or improved, in whole or in part, with DRA project funds, it is the awardee’s responsibility to seek DRA’s approval prior to disposal. At the DRA’s discretion, the return of project funds may be required after the sale of said property.

#### **What components make up a quality application?**

By focusing on the following details and the components stated within the evaluation criterion, higher-quality applications should result (these areas of focus are not intended to be a complete and comprehensive list):

- How will the DRA funds be spent/what will the DRA funds purchase?
- How will the activities described - for DRA funding - fit within the overall project?
- Was the budget prepared using preliminary engineering reports/cost estimates, architecture plans, or completed plans?
- Are all other funds committed; if not, what is the status of each identified funding stream?
- Awardees will have six months to confirm with DRA that all other funding for the project is committed before the issuance of the Notice to Proceed,
- At the end of six months, the award may be rescinded and de-obligated.
- Do not repeat, restate, or copy and paste from one section of the narrative to another.

- Do not simply state, “see attached.” Supporting documentation should be included in the “attachments” section of the application, and references should be included in the narrative to show where the specific details are located.
- Do not claim a health or safety risk exists without current supporting documentation from a state or federal agency.
- If providing photographic evidence, make sure the photos are clear, and the reviewers can identify what is in the picture and/or the source of the problem.

### **How does the SEDAP process work?**

DRA will announce the opening of the annual SEDAP cycle. However, funding for projects will depend upon the receipt of DRA’s appropriation and passage of the DRA budget at the annual Governor’s Quorum Meeting, which takes place in late February each year. Each state’s allocation of SEDAP funding shall be made available for eligible projects, provided the state-assessed dues have been remitted in full and a federal member has been appointed by the president.

Eligible applicants may prepare and submit applications on their own to the Authority, or they may choose to work with an LDD office. Subsequently, a review and recommendation of project eligibility is made by DRA staff, and projects are then scored and ranked. DRA staff will work with LDDs and applicants to address weaknesses found in lower-ranked and ineligible applications.

### **How are SEDAP projects selected for funding?**

The selection process is a collaborative effort between DRA’s federal co-chairperson and each state’s governor or designee, which is referred to as the Project Determination Meeting. The actual determination of eligibility for SEDAP investments is made by the federal co-chairperson, who bases the decision on the Eligibility Guidelines (see Appendix II).

The state may recommend economic development projects (job creation/retention), which include fully committed funding from all sources at any time during the funding cycle. The state’s role is to recommend eligible project applications to the federal co-chairperson for funding consideration. With the federal co-chairperson’s concurrence and approval, projects can receive funding. This will ensure all priorities, both state and federal, are given due consideration and fully funded projects result from the process.

DRA and each state must agree on the final project allocation amount before any award documents can be delivered. Applicants must address and accept any change to the budget before a Notice to Proceed can be issued.

### **What role do the LDDs play?**

Upon the applicant’s choice and application collaborator selection, the appropriate LDD will assist in project and application development. Project applications are submitted electronically

by or through the LDD, whose territory includes the home county/parish of the applicant and/or the county/parish being served.

LDD staff have the responsibility to review and certify the project is legitimate and meets the parameters of the DRA program. Ultimately, the DRA makes the final determination of eligibility.

However, LDDs will also acknowledge their role and responsibility as project managers for each project and ensure each project is implemented and regulations are adhered to in a timely manner. In the event an application is deemed ineligible by the DRA, the LDD also serves as the local economic development agency that should also be knowledgeable of other state and federal funding sources. Applicants are encouraged to work closely with the LDD in identifying the best available resources for the project.

To compensate the LDDs for the administrative work performed, project administrative fees will be paid from the awarded funds. The formula for determining project administration fees is five percent (5%) of the first \$100,000 and one percent (1%) of all dollars more than \$100,000. By example, a \$200,000 award would include \$6,000 in LDD project administration fees, thereby making \$194,000 available for the approved project. Further details of this arrangement and other alternatives can be found in the LDD Memorandum of Agreement.

It should be noted that the appropriate time to consider the project administration fee is when the application is being prepared. This should be discussed with the applicant, and the fee included in the DRA requested amount. If the award is made for a lesser amount, all parties should be aware that the awarded amount (project funds) will also include the project administration fee. The administration fee is ONLY paid to the LDD and will not be allowed for consultants or other project managers. Should the LDD choose to waive their administration fee, all funds will be considered project funds.

### **How can an application be completed and submitted?**

Online project application process: Application information is entered through the online portal. Information is entered once, with appropriate fields populated throughout. The site is an interactive resource that all groups can utilize as an invaluable management tool.

The bullet points below provide a brief tutorial on the DRA funding portal. Applicants may work with and through the LDD, whose territory covers the applicant's home county/parish, to fill out the online application materials. All applications will be electronically transmitted to the appropriate LDD, if not generated by the LDD, for review and approval prior to being sent to DRA for eligibility review and scoring. The LDD is committed to managing and providing technical assistance to the applicant/awardee during this phase of the application process.

After logging into the [Grants Management Portal](#), the applicant and/or LDD will follow the steps below:

- Establish a login with secure credentials.

- Applicants will be able to create, view and edit project information. However, once an application has been submitted to DRA, it will be hidden from the applicant and LDD views to ensure only changes approved by DRA are allowed.
- Applications must list the Applicant's Legal Name as the Organization Name within the grants management system.
- LDDs and other parties may assist with the application development and project administration. Applicants must add all desired collaborators to the appropriate application section
- Once a project is funded, the application will again be visible to the awardee and LDD.
- LDDs will have access to all projects they are selected to collaborate on.
- Other parties granted access to the site will be able to view general information about projects within each state or the region.
- LDDs will be electronically directed to the collaborated applications. LDDs have the responsibility to review and certify the collaborated application is in substantial compliance with the eligibility guidelines, as noted within the associated NOFA. Applications can also be prepared by the LDD on behalf of an applicant.
- Certified applications are kept in an electronic database for viewing, editing and/or printing.
- Electronic notification is sent to DRA indicating completed/certified projects are ready for DRA review.
- DRA staff will review for eligibility, score and rank applications.
- The Federal Co-Chair will make the final determination of eligibility.
- Electronic notification is then sent to the LDD, board member(s) and applicant,
- Upon the recommendation of the state and approval of DRA, eligible projects may be selected at this time.
- DRA will proactively meet with each state individually to jointly determine the state's project selection recommendations.
- Each project is submitted for a board vote.
- Upon approval, the award documents are generated for each selected project and electronically sent to the LDD and/or applicant.
- LDDs will work with the pre-awardees to provide necessary technical assistance,

- Award documents will be printed, signed, and uploaded to DRA via the funding portal.
- Once the award documents are received, DRA will utilize the funding portal to date/time stamp the receipt of documents; DRA staff will review and (if complete) will issue a Notice to Proceed to the LDD and/or awardee.
- Project events/announcements may take place during this time; DRA communications staff will coordinate these events or determine, on a project-per-project basis, if an event is not necessary.
- Upon receipt of the Notice to Proceed, awardees may now begin incurring expenses for the project or DRA portion of the project if so structured.

### **What happens to a project deemed ineligible?**

Contact will be made with the LDD and/or applicant, outlining reasons for ineligibility, pursuant to the Eligibility Guidelines; other comments and necessary information will be included by DRA staff to assist applicants with strengthening future applications.

### **What happens next after a project is funded?**

Once projects are funded, official announcements are coordinated with the chief policy and communications officer's office and each governor's office. Press events may be held in person with the DRA federal co-chairperson, other DRA staff members, and the governor via conference call, public event, or written press release. Award documents will be issued according to the type of project being funded. As the award document signature page is returned via upload through the funding portal and all documentation is found to be in order, a Notice to Proceed will be issued, and the awardee will be authorized to begin accruing expenses toward the project. The DRA reserves the right to select any awarded project for individual press events. The DRA communications staff will contact the awardee and LDD directly to make each party aware of the special event.

***Until the Notice to Proceed has been issued, no social media announcements or local press coverage is allowed.***

No expenses accrued prior to the date of the Notice to Proceed will be allowed unless prior approval was obtained in writing from DRA.

Projects funded at a lower amount by DRA must address the needed budget modifications to the satisfaction of DRA. This process will include the completion of a budget modification form and a scope of work modification form if necessary. All modifications must be approved prior to the issuance of the Notice to Proceed.

Quarterly reports will also commence on the first calendar quarter after the date of the Notice to Proceed. Reports are due each calendar quarter thereafter whether project funds have been expended or not. Quarterly reports consist of a financial status report (SF-425) and a

comprehensive report narrative (SF-PPR). This report can be completed and submitted online through the grants management system.

Awardees may provide the necessary information to the LDD or directly upload each quarterly report. It is the responsibility of the awardee and/or LDD to upload each quarterly report. Project start and end dates are derived from the information provided in the form SF-424 (Application for Federal Assistance). Receipt of the Notice to Proceed shall determine the actual start date for all projects. For example, a project has requested an 18-month completion time; the project must be completed within 18 months of the Notice to Proceed date.

### **Contracting Procedures**

Awardee shall provide a copy of all contracts from general and sub-contractors to DRA as they become available.

### **Exterior Project Sign**

Any project that involves construction funded in whole or in part by the funds provided under the DRA shall include an exterior project sign appropriately acknowledging the assistance provided through the DRA program unless waived by the DRA. The awardee shall be responsible for all costs associated with the production and installation of the exterior project signage and provide photographic proof of this sign within 30 days of DRA receipt of the construction contract(s). See DRA Project Sign Guidelines” for sign specifications.

### **Compliance**

By executing the award documents, the awardee is affirming he or she will be accountable for the way the funds are spent and for meeting the target outcome measures. When a private entity is involved in a project, with the creation and/or retention of jobs, DRA requires the company (or some responsible third party) to be held accountable for attaining those metrics through the use of the Participation Agreement (PA). At every level, accountability is vital to the success of the project and, ultimately, the resurgence of this region. The DRA award agreement provides for several other DRA-specific requirements for submitting reports, contracting procedures, and disbursements of funds, to name a few. LDDs play a key role in ensuring accountability at the local level. As part of the technical assistance provided by LDDs, each district shall ensure awardee compliance with the various DRA award requirements as well as state laws. Some federal requirements, such as the Civil Rights Act and Americans with Disabilities Act, are mandatory for all federal funding.

The federal and DRA-specific requirements pertain to all counties and parishes. State laws, however, are specific to each state and, when necessary, may supersede DRA-specific requirements. It is the responsibility of the awardee to follow all state laws during the bidding, procurement and contracting portion of the project. This is an area where LDDs can provide essential compliance oversight as part of the technical assistance package.

## Monitoring

DRA staff will work with and through the awardee and/or LDD to schedule site visits. These monitoring visits will be like mini audits, as the Monitoring and Compliance Coordinator will be looking for evidence of compliance and accountability. The visit will include such items as a review of financial records, procedures, contracts, and overall awardee capabilities. If deficiencies are found, it is the awardee's responsibility to implement the corrective action plan and bring the project into compliance.

To implement these visits in a timely and efficient manner, the Authority will utilize the Site Visit Monitoring and Compliance Checklist. Typically, the awardee and/or LDD will be notified that a project has been selected for a site visitation. As a courtesy, the awardee will then receive no less than ten business days to compile all requested information prior to the pre-scheduled visit by DRA staff. The actual visit will commence, and a written appraisal will be forwarded to the awardee and/or LDD within 30 days. A project's funding may be recommended for de-obligation if it is determined after careful review through monitoring that the awardee is not complying with the agreed award administration or that the project is likely unable to be accomplished as agreed upon.

## Reporting

The most important aspect of the monitoring process is providing timely, accurate and comprehensive quarterly reports. It is the responsibility of the awardee to provide this information to the DRA and/or LDD in a timely manner, and it is the responsibility of the awardee and/or LDD to review and upload this information to the grants management system as part of the technical assistance package.

Project Compliance (team member: Star Hoskins – shoskins@dra.gov)

**Quarterly Reports** will be reviewed by the Critical Infrastructure team, and projects needing attention will be shared with the Project Compliance team for follow-up.

All quarterly reports will be input into the grants management system. Quarters are described as calendar quarters, and reports are due to DRA by the 15th of the month following the end of each quarter. (Due by January 15th, April 15th, July 15th, and October 15th). Notifications will go out from the funding portal 15 days prior to the quarter's end, on the quarter's end, and on the due date. A late notice will go out the day after the due date.

These reports and the information therein are vital to helping DRA and LDD staff understand the status of each project. There should never be an instance where a project reports "no activity." If, for that quarter, there was no progress toward completion, there must be an explanation as to why there was no progress and what tasks are expected to occur next quarter. Further, the report shall state how the awardee expects to meet the approved timeline. Project monitors need this information to make sound decisions regarding changes in scope requests, timeline extensions and project site visits.

**Final Report Narratives** will be input into the grants management system within 30 days of completion.

- Any deficiencies in reporting will be communicated by Mrs. Darci Malam, Critical Infrastructure Program Manager, and approval from Mrs. Malam will be necessary before reports are officially accepted,
- Any questions or feedback regarding actions taken by Monitoring and Compliance should be directed back to Monitoring and Compliance staff, and,
- As a reminder, the quarterly report should thoroughly describe what actions took place in the previous quarter and what problems or challenges were experienced during the previous quarter. How those challenges were/will be overcome, and what actions will take place in the next quarter – all of which should tie directly to the approved scope, budget, and timeline.

Final report narratives are due at project closing and should reflect the actual outcomes of the project as compared to the outcomes projected in the application materials. An introspective assessment of the project's perceived success or failure is also required. If a printed document is produced with DRA funding, an electronic copy should be included.

**Continuing reporting** is required to track the items pledged by the firm within the PA and ensure the outcomes are achieved. As previously mentioned, the PA is used in economic development to guarantee outcomes.

All jobs must be created within two years from the date of project completion and then maintained for three years from the date of project completion.

A jobs report detailing the status of jobs pledged within the PA will be input into the grants management system once per year for three years following the date of project completion.

The report is to state the employee's first initial, last name, and date of hire.

All capital expenditures pledged within the PA must be fulfilled within three years from the date of project completion.

**Proof of capital expenditures will be input into the grants management system once per year for three years following the date of project completion.**

### **Reimbursements**

Funds are reimbursed to awardees for eligible expenses as determined by 2 CFR 200. The required supporting documentation (i.e., itemized bills, invoices and receipts, detailed accounting of personnel costs, copies of contracts and/or a contractor's partial pay estimate, etc.) may be provided to the LDD or directly uploaded by the awardee into the grants management system. If provided, the LDD will review the materials and associated budget balances before uploading the request into the grants management system. As outlined in the approved DRA Budget, there could

be DRA costs as well as non-DRA costs; invoices should be provided for ALL costs. All funding sources should be drawn down as approved in the budget. Budget items that include both DRA and non-DRA sources will be drawn down at the predetermined pro-rata share. Other budget items may be dedicated 100% to DRA or a non- DRA source.

- All reimbursement requests, scope changes, modifications, etc., will be received by the Critical Infrastructure team using the proper forms via the grants management systems,
- Reimbursement requests will not be paid unless the project is in compliance with reporting requirements or any other deficiency such as a project that is beyond its performance period, and,
- Any questions or feedback regarding actions taken by the Critical Infrastructure staff should be directed back to the same team.

Upon receipt, review, and approval of the request, funds will be transferred electronically to the account established for the project by the awardee, which must match the banking information registered in SAM.gov. Further information for SAM.gov is listed below. DRA's reimbursement process generally takes eight to ten business days to complete. However, delays could occur if errors in the documentation are found or there is a lack of sufficient supporting details; the DRA staff will work with and through the awardee and/or LDD to make necessary corrections. This does not take into consideration the amount of time needed by the awardee and/or LDD to collect, review, and upload the request. Awardees should consult the LDD providing the technical assistance for LDD processing times.

### **System for Award Management (sam.gov) and Central Contractor Registration (CCR)**

It is imperative that awardees keep information in the System for Award Management, better known as SAM.gov updated. Awardee information in SAM.gov must be updated yearly. Failure to update information in SAM.gov will result in the return of payments by the U.S. Treasury. It is the responsibility of the awardee to update all information. Neither the DRA nor LDD has access to the awardee's SAM.gov information. Step-by-step instructions can be found on [www.dra.gov](http://www.dra.gov).

There are several important items to remember for SAM.gov registration. They are as follows:

Registration is FREE at <https://beta.sam.gov/>. Beware of imposter sites or companies that will complete your registration for a fee.

An active SAM.gov registration is required to be awarded a contract with the federal government and to be paid for work performed.

If you had an active record in CCR, you have an active record in SAM.gov. To update or renew your records in SAM.gov, you will need to follow the instructions in the guide. Your CCR login will NOT work in SAM.gov.

You will obtain a UEI number when you complete the SAM.gov registration.

You must have a Tax Identification Number (TIN or EIN) to register a business. Your business is referred to as an “entity” by SAM.gov.

If your CCR profile is linked to an email address that is no longer active within your firm, contact the Federal Service Desk at [www.fsd.gov](http://www.fsd.gov). After completing the migration, contact the SAM.gov hotline to submit your registration. You must review and save the entire SAM.gov record in one sitting.

Due to IRS validation, it will take 3-5 business days for your registration to become active.

### **Change of Scope Request**

Occasionally, an awardee would like to make subtle changes to the original project scope, which will require prior written approval from DRA. Utilizing the applicable following form: 1) Budget and Program Modification Request Form 216a, 2) Budget Comparison Form 216b, or 3) Change of Scope Request Form 819r, a request should be submitted to DRA detailing the proposed change. Upon receipt, DRA staff will review and make the appropriate administrative decisions.

Change of Scope requests include, but are not limited to, the following examples: no- cost budget modification within budget categories, timeline extension, size of the overall project, expansion/reduction of services, etc. Any change in the size of a project due to other funding sources withdrawing from the project must result in a viable, fully funded, and eligible project.

Under most circumstances, timeline extensions will be limited to one (1) per project and shall not exceed 12 months from the original completion date. Consideration for additional extensions may be given to projects that have endured extraordinary circumstances out of the control of the awardee, provided the awardee has been diligent in advising the LDD and the DRA of these challenges throughout the process. The extension must be submitted to DRA no later than 90 days prior to the project end date.

Any request which would result in a different project or project purpose other than the originally approved project would not meet the guidelines for a change of scope. Project funds are made available for specific project purposes, not to awardees to use until expended. Requests determined to be more than a change of scope will be declined, and an explanation of the decision will be provided to the awardee.

### **Project Closeout**

DRA recognizes that de-obligation of funds is occasionally required at the end of a project, which may occur upon completion of all necessary work or when an awardee does not live up to the expectations to which they committed. De-obligation can occur in one of two ways: 1) administratively or 2) by rescission of funds.

Administrative de-obligations occur upon the successful completion of a project. Once the final

report is received and all administrative payments have been made, any remaining funds shall be de-obligated. The awardee should provide written notice to DRA that the project is complete, and the remaining funds are no longer needed for the project. When fully approved, these funds will be de-obligated with the U.S. Treasury and available to the state for future project funding.

Rescission of funds occurs when an awardee allows 12 months to pass without a reimbursement request for eligible expenses, not including LDD administrative fees. The rescission of funds is now a federal mandate, as outlined in the Grants Oversight and New Efficiency (GONE) Act. The goal of the GONE Act is to close out expired grants. The GONE Act requires the Office of Management and Budget (OMB) to instruct each agency, in coordination with the Department of Health and Human Services (HHS), to submit to Congress and HHS by December 31 of the first calendar year beginning after this Act's enactment a report that:

- Lists each federal grant award held by such agency,
- Provides the total number of federal grant awards, including the number of grants by time of expiration, the number with zero-dollar balances, and the number with undisbursed balances,
- Describes the challenges leading to delays in grant closeout, and,
- Explains, for the 30 oldest federal grant awards, why each has not been closed out.

The covered grants are those within an agency's cash payment management system that have been expired for two or more years and have not been closed out. No later than one year after the head of an agency submits its report, the agency head will notify HHS whether the agency has closed out the covered grants discussed in its report. HHS is required to compile this information and provide it to Congress.