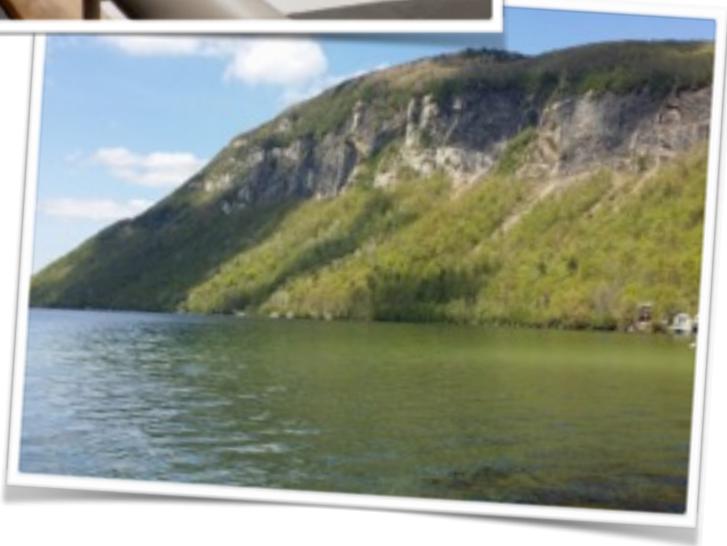




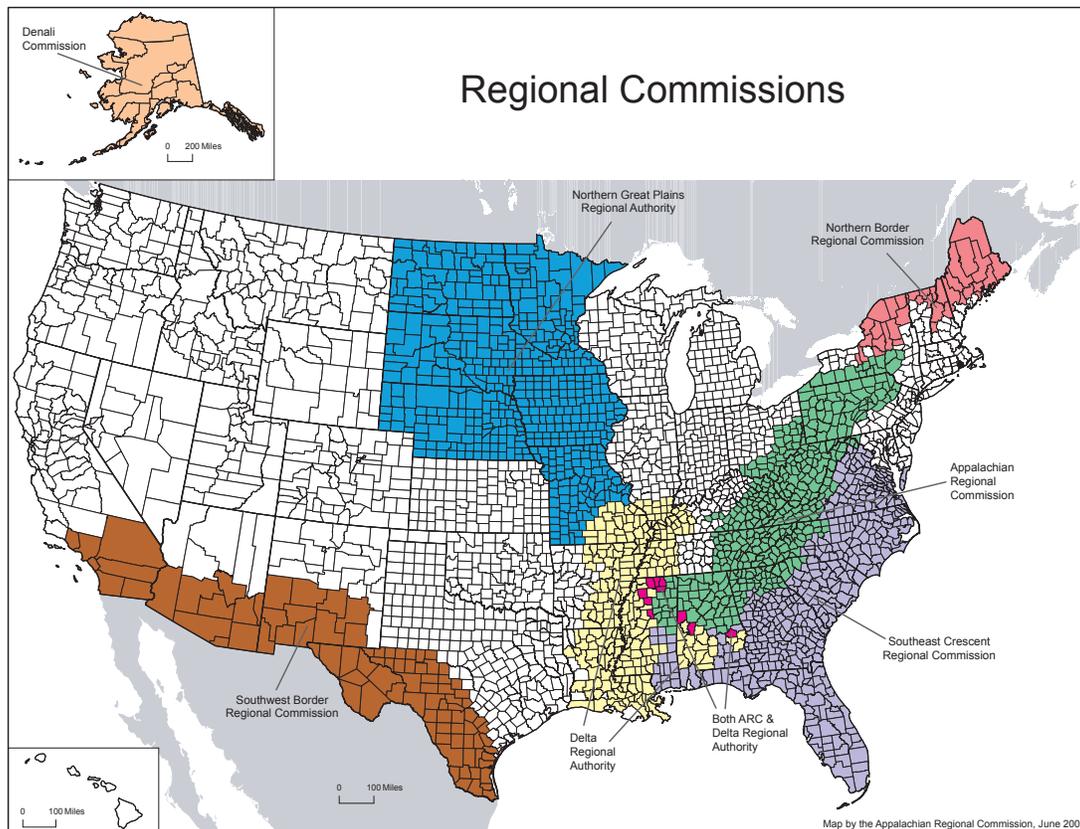
Northern Border Regional Commission

Grant Administration Manual



About Northern Border Regional Commission

Overview



Northern Border Regional Commission (NBRC) is one of seven regional Federal-State partnerships set up explicitly to address improving the economic vitality of a region sharing common attributes. NBRC was modeled after the Appalachian Regional Commission. Authorized by Congress in 2008 (PUB.L. 110-246, Sec. 14217) and first appropriated funds by Congress in 2010, the Northern Border Regional Commission ("NBRC") was organized on the Appalachian Regional Commission federal-state partnership model.

The Northern Border Regional Commission (NBRC) is a partnership between the federal government and the states of Maine, New Hampshire, New York and Vermont. NBRC targets resources to promote economic growth strategies and projects in the northern counties of its member states. The Commission is composed of a Federal Co-Chair appointed by the President and confirmed by the United States Senate, and the Governors of each state.

By investing in projects that address shared regional challenges and catalyze common opportunities, the NBRC plays a critical role in helping Northern Border communities retool their economies for the future. The Northern Border region is poised for economic revitalization if it can

modernize its infrastructure, invest in business and workforce development, and build its capacity for community economic development. The NBRC is uniquely positioned to make these pivotal improvements possible.



Counties in the Northern Border Region

Maine - Androscoggin, Aroostook, Franklin, Hancock, Kennebec, Knox, Oxford, Penobscot, Piscataquis, Somerset, Waldo, and Washington

New Hampshire - Carroll, Coos, Grafton and Sullivan

New York - Cayuga, Clinton, Essex, Franklin, Fulton, Hamilton, Herkimer, Jefferson, Lewis, Madison, Oneida, Oswego, Seneca and St. Lawrence

Vermont - Caledonia, Essex, Franklin, Grand Isle, Lamoille and Orleans

Economic Development & Infrastructure Investment Program

Like all of the Federal-State Commissions, the NBRC was created to orient federal appropriations toward State prioritized economic and community development strategies and projects. Through the collective vote of their Governors, the States coordinate with the Federal Co-Chair to rank NBRC funding applications. This ensures that regional and State solutions to economic and demographic challenges are prioritized. All funded projects must be within the NBRC's four authorized program areas, one of which is the Economic Development & Infrastructure Investment Program.

The following funding categories represent eligible activities for NBRC investment dollars.

a) **TRANSPORTATION INFRASTRUCTURE:** Transportation Infrastructure shall mean basic physical structures needed to support and/or create a transportation system; A term connoting the physical underpinnings of transportation systems, including, but not limited to, roads, bridges, rail, port facilities, airports, transit, and sidewalks. In transit systems, all the fixed components of the transit system, such as rights-of-way, tracks, signal equipment, stations, park-and-ride lots, bus stops, maintenance facilities. Regular maintenance or deferred maintenance, such as funding for resurfacing, restoring, rehabilitating and reconstructing will NOT be eligible for funding. Federal roads and bridges will NOT be eligible for funding.

b) **TELECOMMUNICATIONS INFRASTRUCTURE:** Broadband and Geographic Information System (GIS) projects (not to include speculative or feasibility-type studies - rather, complete and sustainable projects) will be considered. The physical components of interrelated systems providing services essential to enable, sustain, or enhance communications that encourage business growth and development.

Applicants should identify gaps in current regional inventory of telecommunication needs. The gap between a community's broadband today (existing infrastructure, including capacity, speed and pricing, and level of adoption) and its needs should define the type, technology, size and scale of the project.

c) **BASIC PUBLIC INFRASTRUCTURE:**The term "BasicPublicInfrastructure" shall mean water and wastewater facilities, electric and gas utilities, and solid waste landfills - or any structures that aid in the reduction of the need for landfills such as recycling and composting, all of which are fundamental services necessary to promote growth and attract business and which have a useful life of 20 years or more.

NBRC investments funds will NOT be used for projects deemed to be "Maintenance" or "Deferred Maintenance." 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 maintenance.

d) **BUSINESS AND WORKFORCE DEVELOPMENT:** Business Development shall mean those areas of business development which include entrepreneurship, the creation of new businesses or the retention or expansion of existing businesses in the local communities, and are deemed eligible, projects shall document job-creation or job-retention. Funding of start-up projects, such as business incubators or industrial parks, must have committed business tenants. Expansion of existing business incubators and industrial parks are also allowed.

Business Incubator projects must document that a need exists, per standards of research described by the International Business Innovation Association. A plan should also be developed to coincide with standards and operations as set forth by the International Business Innovation Association.

"Business Incubation" shall mean a business support process that accelerates the successful development of start-up and fledgling companies by providing entrepreneurs with an array of targeted resources and services.

Workforce Development shall mean job training or employment-related education for a specific employer to fill immediate job openings or retain current jobs which are documented as such by that specific employer. Delivery of such training shall be through the use of existing public educational facilities (EPEFs) located in the Region. However, if, the applicant demonstrates (1)

sufficient information demonstrating an EPEFs inability (as example, insufficient capacity, curriculum, and/or accessibility) to satisfy the defined need, and the applicant (2) demonstrates a compelling need to use a non-EPEF for such training, then the Federal Co-Chairman can waive this requirement and deem a project eligible. To be deemed eligible, project shall document job-creation or job-retention.

Other than for "Workforce Development" projects, as described above, start up or ongoing, operating costs (including, but, not limited to, salaries, vehicles, equipment, and maintenance) will NOT be deemed eligible.

Revolving Loans will be an eligible use; however, NBRC anticipates having a separate grant application in the future, as the information needed for a revolving loan fund may differ significantly from the basic application that is available today.

e) BASIC HEALTH CARE: The cost of basic health care facilities, such as clinics, will be eligible. Operating costs of facilities will NOT be deemed eligible.

f) RESOURCE CONSERVATION, TOURISM, RECREATION: While easements and land purchases are eligible under the federal criteria, an economic development case needs to be made to substantiate the use of funds. Construction projects that promote resource conservation, tourism, recreation, and preservation of open space, such as access roads, bridges, signage, etc., are eligible projects. All projects must also be consistent with the economic development goals of the region.

g) RENEWABLE AND ALTERNATIVE ENERGY: Renewables are generally defined as any naturally occurring, theoretically inexhaustible source of energy, such as biomass, solar, wind, tidal, wave, and hydroelectric power, that is not derived from fossil or nuclear fuel. Facilities that are owned by a for profit entity will NOT be eligible. Publicly owned and non-profit entities are eligible.

It is important to note that if providing guidance to potential future applicants, that the legislation that guides NBRC requires that 40% of the total funds that awarded in each year must be awarded for "infrastructure" projects as defined in a), b), and c) above.

First Things First - What Needs to Happen to Receive a Notice To Proceed?

Grant Agreement

Every successful grantee will receive a grant agreement between the Northern Border Regional Commission and the grantee. The grant agreement will contain among other things, the following:

- ◆ The NBRC Contract Number: This number **must be included in all documentation and emails that are sent to the States or NBRC offices.** (e.g. NBRC16GME01)
- ◆ Contact information: for both the grantee and NBRC. It is imperative that if this information changes, to send changes to admin@nbrc.gov using form OMB#4040-0010.
- ◆ Period of Performance: this is the start and end date of the project to be completed for the contract between grantee and NBRC.
- ◆ The grant amount: The grant amount cannot be increased for any reason. Overruns on projects are the responsibility of the grantee.
- ◆ Required match: This is the amount of funds that must be documented during the project period.
- ◆ Indirect Cost Rate: This is the approved rate that has been agreed upon by the grantee and NBRC. Any and all invoices must use this rate for their invoices when specific services as outlined are performed by the grantee. This is NOT a rate to be used by any subcontractor or consultant.
- ◆ Budget: Line items of expenditures. These line items may not be changed by the applicant without prior written approval by NBRC unless those changes are no greater than 10% of the total line item.
- ◆ Grant Provisions: the laws and agreements that a grantee is required to follow as part of the contract with a federal awarding agency.
- ◆ Construction: The contract will state if the project is Construction or non-Construction. This is important because necessary forms may vary depending on this.
- ◆ Real Estate and/or Equipment: The contract will state if the project will consist of real estate or equipment purchases. This will include the purchase of easements on property. This is important to know as there are additional reporting requirements.
- ◆ Sub-recipients: This will include an outline of those funds that will be sub-awarded to organizations or entities that are not the recipient. Unless sub-recipient agreements are part of the project, all other contractual relationships must be consistent with federal procurement procedures.

Obligation of Federal Funds

As with any federal program 'obligating' the funds is important. Why? Because without specifically allocating the funds to a project/entity it appears that those funds are not dedicated to any source and are available for use. The federal fiscal year begins on October 1 of each year. It is the goal of NBRC to ensure that all project funds are 'obligated' prior to this date so that the funds are held for the projects and it does not appear that they are not needed. In order to 'obligate' the funds to the specific project the following items are needed. It is important that all grantees provide the following information **by September 1, 2016:**

- ◆ **The grant agreement/contract must be signed by both parties and on file in the NBRC office.**
- ◆ **NBRC office must have on file the SF3881 Automated Clearing House (ACH) Enrollment Form.**

Yes, it's that easy. These are the ONLY two documents that are needed. But they must be received by September 1, 2016, or the grantee risks losing the funds to other more responsive applicants.

Notice To Proceed Provisions

All grantees must receive a Notice to Proceed before they can begin ANY work that is part of the NBRC project. There are five things (two of which should be completed by September 1, 2016,) that are required to receive a Notice to Proceed. No reimbursements will be made for work conducted prior to receiving a Notice to Proceed. No match will be counted that takes place prior to receiving a Notice to Proceed. The date of the Notice to Proceed is very important. It is anticipated that most Notice to Proceed documents will be signed and affective October 1, 2016. There may be cases where a grantee has requested to start prior to October 1, 2016, these items need to be in place in order to do that and receive a Notice to Proceed prior to October 1, 2016. The following items **MUST** be in place before a Notice to Proceed will be issued:

- ◆ The grant agreement/contract must be signed by both parties and on file in the NBRC office.
- ◆ NBRC office must have on file the SF3881 Automated Clearing House (ACH) Enrollment Form.
- ◆ All match listed in the contract must be **committed**. NBRC Form 1002 listing committed match. Committed match includes the following:
 - **Grantee is providing match:** Letter from the appropriate authority stating that the entity will provide the match. Letter is required to have the following elements: 1. states the amount of the commitment, 2. contains the dates that the commitment will cover, consistent with the period of performance in the contract. If the funds will be used for paying staff within the grantee's organization, the letter should also state the following: 1. the # of hours staff are anticipated to work on the project, 2. the pay of those staff, 3. and the indirect cost rate that will be used, consistent with the grant agreement (if applicable).
 - **Municipal lending:** Requires proof of authorization to spend. This may be different for different states. It may be city council approval, Town of City manager has been authorized for all these transactions, or demonstration of town meeting approval. It is the

grantee's obligation to ensure that they have the appropriate authority to loan funds for the project, but there must be some sort of authorization documented. In the case of town meeting, that may mean in many cases that a Notice to Proceed is not issued until after that time - meaning that the project cannot move forward until such time.

- Letter of cash commitment from another source other than the grantee. A letter is required to have the following elements: 1. states the amount of the commitment, and 2. contains a date that the award was made. A letter of submission or 'application received' or 'pending' is NOT a letter of commitment.
- In-Kind through Volunteers: Provide a written plan of how the volunteer in-kind donation will be arrived at. (Ex: 4 meetings a year, taking place quarterly that are expected to last 1.5 hours and 5 volunteers will participate. $4 \times 1.5 \times 5 = 30$ hours \times 23.56 = \$706.80.) Rate may be used as match and should be consistent with the national average http://www.independentsector.org/volunteer_time which is currently \$23.56 per hour. Volunteers may not be: counted for the same activity in a different project (counted twice), or be federal employees. Additionally, their time must be recorded and be submitted for reimbursements. You may not include any Indirect Cost Rate in addition to the \$23.56. Note: the rate that is calculated at the time of the contract will be the rate for the remaining project period until project completion. While the national rates may fluctuate, it is not feasible to renegotiate these rates during the project period.
- In-Kind through Pro-bono work (e.g., attorney fees): Provide a written plan of how the volunteer in-kind donation will be arrived at: see volunteer example above. Hourly rate must be documented, and certified that other entities are not being charged for the donated time.
- Municipal Force Accounts may be used. Applicants must document that they have the staff, experience. Force Account work is limited to work that the recipient can demonstrate is within the technical skill and managerial ability of the recipient and its forces. The applicant must provide an accounting of time and costs and provide appropriate documentation of indirect costs, if being used. Both salaries of staff and cost of mobilization and fees for vehicles may be counted as match when those cost are appropriately documented.
- Land or other donated real property or equipment: NOTE: land transfers may not take place until after the Notice to Proceed had been issued. A Letter of Intent from the current property owner stating that they will provide the land to the project stating the sale or 'appraised' value of the land and anticipated date of transaction and identifying the property. If the property is being purchased with project funds, no appraisal is needed. If the property is being donated, a professional appraisal is required. NOTE: A municipal assessment is NOT an appraisal. An appraisal of the property must have been completed within the past 18 months or an appraisal must be made prior to issuing a Notice to Proceed if the project is being donated. RE: equipment. The entity that is donating equipment must provide a letter with the following elements: 1. date that the equipment will be transferred to the grantee, 2. market value of the equipment 3. that the donation is not being paid for through other means.
- Cost sharing or matching requirements may be met by other Federal grants up to 80% of the total project cost.

Other notes:

- Neither costs nor the value of third party in-kind contributions may count towards satisfying a cost sharing or matching requirement of a grant agreement if they have been or will be counted towards satisfying a cost sharing or matching requirement of another Federal grant agreement, a Federal procurement contract, or any other award of Federal funds.
- Cost financed by 'program income' shall not count towards satisfying a cost sharing or matching requirement unless they are expressly permitted in the terms of the investment agreement.
- Costs and third party in-kind contributions counting towards satisfying a cost sharing or matching requirement must be verifiable from the records of the recipients and sub recipients. These records must show how the value placed on third party in-kind contributions was derived. To the extent feasible, volunteer services will be supported by the same methods that the organization uses to support the allocability or regular personnel costs.
- All match must be committed by September 30, 2017. This date allows for extraordinary situations that may occur. Grantee should be communicating with all entities, the LDD, State Program Managers and NBRC staff so that this date does not arrive without all funds committed. If this date cannot be met, funds **will** be transferred to other projects that are more ready to move forward toward completion.
- ◆ The grantee must have at least 75% of any previous project completed by August 30, 2016.
- ◆ The grantee must determine how grant administration will be completed. They may either contract with a Local Development District (LDD) or receive a waiver from the LDD administration and fulfill the administration role themselves. There will be no third-party grant administration for NBRC grants other than the LDDs. It is NBRC's policy to sole source work to the LDDs in order to meet its legislative mandate to, "enhance the capacity of, and provide support for, local development districts in its region." State agencies are exempt from this administration requirement.

Reporting

Quarterly Reports

Every grantee is required to provide quarterly reports. Reports are due as follows from Oct 1, 2016 through to the close out of the project:

Reporting Period:	October 1 - December 31 -	Report Due January 31
Reporting Period:	January 1 - March 30 -	Report Due April 30
Reporting Period:	April 1 - June 30 -	Report Due July 31
Reporting Period:	July 1 - September 30 -	Report Due October 30

Reports are due regardless of the amount of work that has been completed. These are not an optional task for grantees. Reports must be sent to both admin@nbrc.gov and to the appropriate State Program Manager, see page 22,

The Performance Progress Report SF-PPR must be used for all reports.

Final Close Out Report

Every grantee is required to provide a final report. Reports are due 45 days after the close of the project. Five percent (5%) of the NBRC award will be held until a final report is received from the grantee. The Performance Progress Report SF-PPR must be used for all reports.

Financial Reports

Financial reports are NOT Requests for Reimbursement. They are reports on the financial status of the project. These reports are due annually and at project close out and may be accompanied by the quarterly progress report. The financial report is due on October 30 of each federal fiscal year (October 1 to September 30) and 45 days after the close of the project - even if the close out of the project takes place only a month or two after the October 30th date. (EX: if your project runs from Oct 1, 2016 to December 30, 2017, you would file a financial report for the time period October 1, 2016, - September 30, 2017, that is due on October 30, and an additional financial report that covers the period October 1, 2017, - December 31, 2017, that is due February 15, 2018.) Five percent (5%) of the NBRC award will be held until a final financial report is received. Yes, this is the same 5% the Close Out Report noted.

GPRA Reports

The Government Performance and Results Act (GPRA) (Pub.L. 103-62) is a United States law enacted in 1993. It is one of a series of laws designed to improve government performance management. The GPRA requires agencies to engage in performance management tasks such as

setting goals, measuring results, and reporting their progress. The purpose of the Act among other things, is to improve the confidence of the American people in the capability of the Federal Government, by systematically holding Federal agencies accountable for achieving program results. NBRC is required to establish performance indicators to be used in measuring or assessing the relevant outputs, service levels, and outcomes of each program activity and, provide a basis for comparing actual program results with the established performance goals.

NBRC is working on overarching performance measure for all grantees. However, given the uniqueness of many projects and the broad spectrum of projects that can be funded under NBRC legislation, one size does not necessarily work. For the fiscal year 2016 award year, applicants were asked to identify performance measurements themselves as opposed to be directed by NBRC as to the outcomes of their projects. Section XVIII of the contract between the Grantee and NBRC, outlines the Performance Measures that the applicant self-determined were applicable to their project.

These Performance Measures will be reported to NBRC at the close of the project and again three years after project close out, to determine if the investment achieved the anticipated outcomes. The form that will be used to report these numbers (as of August 2016) is being developed, but will be available prior to any FY2016 projects being closed out.

Performance Measure: means a target level of performance expressed as a tangible, measurable objective, against which actual achievement shall be compared, including a goal expressed as a quantitative standard, value, or rate. Please keep these Performance Measure in mind during the project implementation period in order to accurately report at project close out.

Reimbursements

Timing of Reimbursements

Grantee may submit reimbursements on their own schedule following these basic rules:

- **Period Covered by The Request:** All time periods from the start of the project to close out must be accounted for and not overlap. What does this mean? For example, if there is no work on a project from the project start date of Oct 1 until December 1, but the grantee has work that has been completed in December that they would like to submit a reimbursement for, the reimbursement date should clearly state from October 1 to December 31 in section #8 (Period Covered by this Request) on the Reimbursement Request.
- **No Overlapping Time Periods:** NBRC will not process more than one request for any specific time period. Do not submit a reimbursement for construction contractors from February 1 - February 28 for one amount and another reimbursement for administration from February 1 - February 28. They will NOT be processed this way. It is the grantees responsibility to ensure that their records are kept in a manner that they are able to appropriately document their costs when funds are needed for the month.
- **No skipped Time Periods:** Do not skip time periods. If a previous request period ended March 30, do not submit a subsequent reimbursement request that begins May 30. Perhaps no work was completed in April or May that you need reimbursement for, but you have reimbursements for June. List the 'Period Covered by This Request' #8 on the Reimbursement form as April 1 to June 30.
- **Monthly Dates:** Reimbursement should use whole months. Do not submit a reimbursement for April 5 to April 28 and then another for April 29 to May 15. This is too difficult to track and makes record keeping for both NBRC and the grantee cumbersome.

Documentation for Reimbursements

Grantee must provide supporting documentation for both requested NBRC funds and match that they have committed to for the project. In most cases, the match will be proportional to the amount being requested from NBRC. For example, if a project requires the grantee to have a 40% match and a reimbursement is submitted documenting \$70,000 in expenses, the reimbursement shall be \$42,000 or 60% of the project expenses that month. Documentation includes anything that is necessary to demonstrate that the funds were spent, costs were incurred or work was completed. There may be a wide variety of ways to demonstrate costs, but some examples include:

- Application and Certification for Payment (AIA Document G702) or other equivalent.
- Receipts for purchase of goods and supplies.
- Payroll records for staff time (or simple spreadsheet outlining hours worked, wages , etc.)
- Sign - sheet of volunteers with attached math demonstrating hours volunteered and math to arrive at match amount.
- Invoices from selected contractors.

Match must be demonstrated just as those costs that the grantee is requesting reimbursement from NBRC are demonstrated. Why do we have to demonstrate match? When a grantee signs a grant agreement that they will provide a specific amount of match, that match must be recorded as being met.

In the grant agreement match is outlined based on the project costs that the grantee themselves has outlined. Unless it is otherwise stated in the file, generally, the reimbursement will be made based on the ratio of match to NBRC funds. See example above. In those instances where the match is not anticipated to correspond with other expenditures this should be documented at the beginning of the project.

The Math!

Requests for reimbursement are required to be made using the SF270 Request for Reimbursement. There are two numbers that are important to understand. Line i. Federal share now requested: this is the amount that you are asking NBRC to reimburse. You must document all the costs on this line. Line f. Non-Federal share of amount on line e: this is your total match. Some people get tripped up here. You must document this amount in match. However, the form provides a cumulative amount, so if you documented match in the previous request you need to document the difference from what you documented in the past and what is outlined in THIS request. Providing a coversheet for these two amounts would be helpful. Here is an example:

You previously requested and received \$10,000 from NBRC and you previously documented \$5,000 in match. Your next reimbursement contains \$40,000 worth of expenses and \$10,000 in documented in-kind match and your match required per your contract is 20%.

Example: SF 270 item 11:

a. Total program Outlays to Date	\$65,000	This is your total project cost. $10K + 5K + 40K + 10K = 65K$
b. Less: Cumulative program Income		you should never have program income unless this has been worked out in your contract
c. Net program outlays		should always be the same as line a
d. net cash outlays for advance period		NBRC Does not advance funds
e. Total	\$65,000	should equal line a.
f. Non-Federal share of amount on line e.	\$15,000	Your documented match of \$5K + \$10K
g. Federal share of amount of line e.	\$50,000	should always be line e minus line f.
h. Federal payments previously received	\$10,000	PLEASE put the amount that has been requested previously even if you have not actually received the payment yet from the previous request
i. Federal share now requested	\$40,000	This is the amount you are seeking from NBRC

Documentation from this example would include the receipts that made up the \$40,000 plus the documented match amount of \$10,000.

Given that 80% of the total project of \$65,000 is \$52,000, the entire amount requested of \$40,000 could be reimbursed. IF however, in a different scenario the match was only \$10,000 total instead of \$15,000, the total project amount would be \$60,000. Because 80% of \$60,000 is \$48,000 and the grantee has previously received \$10,000, the only amount that could be reimbursed would be \$38,000 even though the expenses were \$40,000 (unless there is documentation in the file that the match is not expected to be 'in-synch' with the project).

Where does the SF270 Go?

Request for Reimbursement should be emailed to admin@nbrc.gov. Once NBRC receives the request it will be processed and will follow up with the grantee if necessary. If there are no issues the request will be forwarded on in order for the payment to be electronically transferred to the grantee's bank account using the ACH information provided. When the request is processed the applicant will receive an email acknowledging the request. After this email the grantee can expect to receive payment within 10 business days.

Procurement

Competition

All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of 2 CFR 200.319. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

- (1) Placing unreasonable requirements on firms in order for them to qualify to do business;
- (2) Requiring unnecessary experience and excessive bonding;
- (3) Noncompetitive pricing practices between firms or between affiliated companies;
- (4) Noncompetitive contracts to consultants that are on retainer contracts;
- (5) Organizational conflicts of interest;
- (6) Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and
- (7) Any arbitrary action in the procurement process.

The non-Federal entity must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

The non-Federal entity must have written procedures for procurement transactions.

The non-Federal entity must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the non-Federal entity must not preclude potential bidders from qualifying during the solicitation period.

Purchases below \$3,000

To the extent practicable, the non-Federal entity must distribute small purchases equitably among qualified suppliers. Small purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable. This typically refers to purchase of supplies, travel or equipment below this threshold.

“Simplified acquisition threshold” means purchases that are below \$150,000 ([41 U.S.C. 134](#))

Yes, government speak. This is rarely used, but available. This cannot be used for consultant services or other procurement that could produce different results or products or for construction projects that have many pieces to them. This is for those relatively simple and informal purchases that would result in the same product regardless of the vendor. Think 'apples to apples'. You should be able to receive quoted prices for consistent products from qualified sources. Example: Part of your project is to purchase a small van a part of a transportation project to increase commuter opportunities that provide workers to a developing business. The van specifications are specifically outlined regarding size, seating, etc., and it costs roughly \$50K. The simplified purchase procedures would allow the non-federal entity to acquire price or rate quotations, and purchase the most financially responsible vendor. The quotes must be obtained from an adequate number of qualified sources (typically three). You should seek prior approval before making these purchases and this would typically be outlined in the contract between the grantee in NBRC.

Sealed Bids

Generally used in construction projects. Typically referred to as Request of Proposals (RFP). Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction. In order for sealed bidding to be feasible, the following conditions should be present:

1. A complete, adequate, and realistic specification or purchase description is available;
2. Two or more responsible bidders are willing and able to compete effectively for the business; and
3. The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

If sealed bids are used, the following requirements apply:

1. Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, for local, and tribal governments, the invitation for bids must be publicly advertised;
2. The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
3. All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;
4. A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
5. Any or all bids may be rejected if there is a sound documented reason.

Competitive Proposals

Procurement by competitive qualifications typically referred to as a Request of Qualifications (RFQ). The technique of competitive qualifications is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids such as consultants that could produce different results. Examples include: teachers or training experts for job development, website development, meeting facilitation or research experts. If this method is used, the following requirements apply:

1. Requests for qualifications must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;
2. Proposals must be solicited from an adequate number of qualified sources;
3. The non-Federal entity must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;
4. Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
5. The non-Federal entity may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E or other professional services. It cannot be used to purchase other types of services though A/E firms that should instead be using another form of procurement.

Noncompetitive Proposals/Sole Source

Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

1. The item is available only from a single source. This is rare, and must be documented;
2. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation. This would be an extreme case such a natural disaster and highly unlikely to be used by NBRC;
3. The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or
4. After solicitation of a number of sources, competition is determined inadequate.

If procurement is obtained through sole source without the express written authorization from NBRC, the grantee risks termination of its award.

Contracts for Administration of grants using Local Development Districts are the only authorized sole source procurement that NBRC has currently authorized.

Minority/Women Businesses

The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. Affirmative steps must include:

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

Bonding

Northern Border Regional Commission has the minimum requirements as follows:

(a) A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.

(b) A performance bond on the part of the contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

(c) A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

Changes in a Project

Performance Period

Changing the Period of Performance of a Grant Agreement. If a project cannot be completed within the approved period of performance, an extension request may be made prior to the end date by email to admin@nbrc.gov AND the state program manager. The request must include the reason for the extension and the proposed revision to the end date. Approval of a project extension is contingent on the state's concurrence. If a performance period is not approved, or in the event that more than one extension is granted, and the grantee is unable to complete the project within the timeframe outlined, the grantee risks being excluded from applying for future investment grant rounds until the project has been successfully completed.

Modifying the Budget

No increases to the NBRC award will be made. Project overruns are the responsibility of the grantee. Prior NBRC approval is required for changes to major line items when the grant exceeds \$100,000 and the total, proposed transfer exceeds ten (10%) percent of the project's total approved budget. To request a budget change, submit a revised budget and narrative justification to admin@nbrc.gov as well as to both the state project manager and the LDD. Budget changes that involve substantial revision to the scope of work or objectives of the project (regardless of the grant amount) also require prior NBRC approval. A budget revision request worksheet is available on the web site. If a grantee moves forward without approval on budget change issues, the grantee may risk termination of contract.

Scope

All grantees will receive a contract in which the scope of the project is outlined. NBRC has a high degree of flexibility and we aim to maintain that. In order to do so, it is imperative that projects are implemented on time and within the approved scope of work that the funds were intended to accomplish. When issues arise that prohibit the grantee from fulfilling the approved scope, the grantee may request a change in scope. This is a formal process. It is NOT an email or phone exchange. Grantee must submit NBRC Form 2003 with any scope or budget change requests. This request must be sent via email to admin@nbrc.gov AND to the state program manager. To request a change to a project, describe in detail the reason for adding, modifying, or deleting an activity. Include information explaining any revisions to the expected outcomes that would result from the proposed change(s). Make it clear what was anticipated to happen versus what you want to change the scope to include.

Role of the Local Development District

Overview of LDDs

The NBRC Federal-State partnership is aided by a group of regional organizations called Local Development Districts (LDD's) assist the NBRC in its outreach activities, and administer NBRC investments for grantees. LDD's provide feedback to the Commission on its current programs as well as assist in identifying future areas of focus for the Commission. LDD's are either an already existing federally designated Economic Development District, as certified by the US Economic Development Administration or an organization similar in nature to a regional planning commission. LDD's are knowledgeable about other Federal and State programs that help fund economic and community development projects. They are aware of local concerns as most engage in regional economic development planning of varying degrees. All are certified by the NBRC as being proficient in administering Commission funds for grantees.

In order to compensate the LDDs for that administrative work, grant administrative fees will be paid from the awarded funds. The formula for determining project administration fees is 5% of the first \$100,000 awarded and 1% of all dollars in excess of \$100,000. By example, a \$250,000 award would include \$6,500 in LDD project administration fees, thereby making \$243,500 available for the purpose of the award.

Benefits of a Local Development District

- Regional collaboration and partnership with other LDDs and a Federal Agency.
- Opportunity to assist NBRC in developing future programs that benefit the region.
- LDDs will be the designated grant administrators for the NBRC investments that are awarded within their region.
- Receive funding from NBRC through the development of a 'scope of service' that may include; review and certification that projects are legitimate and meet the parameters of the NBRC infrastructure program, assist applicants write grants, and assist NBRC with analysis of local and regional issues.

Obligations of a Local Development District

Federal legislation states that the Northern Borders Regional Commission, "shall enhance the capacity of, and provide support for, local development districts (LDD) in its region." It outlines obligations that LDDs have once they are designated. 40 U.S.C., §15505 (c):

- "Operate as a lead organization serving multi-county areas in the region at the local level"; and,
- "Assist the Commission in outreach activities for local governments, community development groups, the business community, and the public"; and,
- "serve as a liaison between State and local governments, nonprofit organizations, educational institutions, the business community, and citizens"; and,

- “Assist those described above to identify, assess, and facilitate projects and programs to promote economic development of the region.”

LDD shall attend an annual training session provided by Northern Border Regional Commission staff.

Scope of Administration Contracts

LDDs shall have the following scope of services pertaining the Grant Administration:

- Quarterly Reporting: Ensure that the grantee files quarterly reports on time and enough information to provide a meaningful outline of where the project is at in the process.
- Reimbursement Requests: Provide guidance to grantees on filing reimbursements requests and ensure that reimbursement requests are accurate, within approved budget and contain all the necessary documentation to provide evidence of match and reimbursements that are expected to be paid by NBRC. (check the math!!)
- Final Reporting: Ensure that the grantee has filed their final report and financial report in a timely manner after the project is complete.
- General Assistance: Be available to provide guidance to the grantee with other issues such as what their responsibilities are regarding procurement of goods and services and contractors. Have a general knowledge base about federal grant programs, specifically NBRC. (NOTE: it is not expected for the contract amount, that the LDD will be conduct bid processes and assessing bid documents for completion, interviewing potential consultants or other procurement processes. If a grantee wishes to engage the LDD in these processes you may enter a separate Grant Management contract with the grantee.)

Contract with Grantee

All grantees are required to contract with a Local Development District (LDD) unless they submit and are granted a waiver for this activity. NBRC will notify the LDD for those grantees that choose to self-administer their grants. A template contract will be provided on the website for grantees and LDD to use for administration contracting. State agencies are exempt from this requirement.

LDDs will be reimbursed based on the amount of work that they perform. Like any other part of the grantee’s project you should invoice the grantee for your services to be included in the Request for Reimbursement. No lump sum will be used. Reimbursements will be made based on the hours worked. The LDD’s indirect cost rate as determined by their cognizant agency may be added to salary.

Miscellaneous

Place of Record

Northern Border Regional Commission business of record is located at 53 Pleasant Street, Suite 3602, Concord, NH 03302 or admin@nbrc.gov. Any records held at locations other than this will not be considered as part of the application or be considered to be received for purposes of processing applications, invoices, communications, requests for reimbursement or other transactions.

Website

www.nbrc.gov

Contacts

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