



# NBRC GRANT ADMINISTRATION & COMPLIANCE MANUAL

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February 2026



Northern Border  
Regional Commission

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## Overview

The Northern Border Regional Commission (NBRC) is one of ten Federal-State partnerships created to improve the economic vitality of a region sharing common attributes. Authorized by Congress in 2008 (PUB.L. 110–246, Sec. 14217) and first appropriated with funds by Congress in 2010, NBRC was reauthorized in the 2014 Farm Bill, in 2018, and again in 2024.

The NBRC is a partnership between the federal government and the states of **New York, Vermont, New Hampshire, and Maine**. NBRC targets resources to promote economic growth strategies and projects within 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. The Governors are represented on the NBRC by their chosen alternate. The decision-making process of the Commission is comprised of these five voting members. Each State also has a State Program Manager, who serves as the primary point of contact for entities interested in NBRC funding.

By investing in projects that address shared regional challenges and common opportunities, the NBRC plays a critical role in helping rural 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.

By statute ([40 U.S.C. §15702](#)), the NBRC is required to annually assess the level of economic and demographic distress in its service area. The resulting designations reflect whether the NBRC can provide grants within a county.

**Only projects within the NBRC’s service area are eligible for funding under [40 U.S.C. §15733](#).**

## NBRC Grant Programs

This manual covers compliance for projects funded by the Northern Border Regional Commission’s three competitive grant programs. Where there are discrepancies or differences, those will be noted or specifically called out for the various programs. This Compliance Manual is primarily intended for recipients of the NBRC grant funding. Entities seeking grant funding from the NBRC should refer to the [NBRC Grant Programs User Manual](#) for more information.

### Catalyst

The Catalyst Program is designed to stimulate economic growth and inspire partnerships that improve rural economic vitality across the four-state NBRC region. NBRC encourages projects that take a creative approach to addressing an economic need or opportunity in the region, alleviate economic distress, and contribute to economic growth.

Successful projects support a broad range of economic development initiatives such as, but not limited to, projects that modernize and expand access to public water and wastewater services, revitalize transportation infrastructure, establish workforce development programs and facilities, grow the outdoor recreation economy, and provide access to new childcare and healthcare facilities.

- **Economic Development Administration (EDA) Collaboration Grant:**  
Funded under the Catalyst program, beginning in 2019, Congress directed the EDA to collaborate with the NBRC to fund projects aligned with the economic development objectives of both Agencies. The unique partnership between the NBRC and EDA has extended the ability of both Agencies to fund economic development projects in the NBRC region.
- **United States Department of Agriculture (USDA) Collaboration Grant:**  
Funded under the Catalyst program, beginning in 2019, Congress directed the USDA to collaborate with NBRC to fund projects aligned with the economic development objectives of both Agencies. The unique partnership between the NBRC and USDA has extended the ability of both Agencies to fund economic development projects in the NBRC region.

### **Forest Economy Program (FEP)**

The Forest Economy Grant Program stimulates economic growth in the forest-based industries, including new technologies and viable business models, across the NBRC four-state region. The Forest Economy Program supports a broad range of economic development initiatives, including infrastructure, which directly supports timber and forest-based industries.

The Forest Economy Grant Program will prioritize funding for projects that demonstrate both readiness and projected direct impacts on the region's forest economy and communities. Projects must be consistent with the investment priorities of the Forest Economy Program, and where applicable, advance local forest economy initiatives.

### **Timber for Transit (T4T)**

The purpose of the Timber for Transit Program is to advance the use of wood-based materials and composites (advanced wood materials) through applied research and demonstration projects that showcase the suitability of such materials to transportation and transportation adjacent infrastructure.

Highly competitive projects will demonstrate and widely promote the utility of high value forest products (e.g. glued laminated timber, cross laminated timber, composite materials, etc.) in transportation infrastructure and planning for extreme weather readiness. Transportation infrastructure shall mean construction, alteration, or repair, for the purpose of transporting people and goods, including fixed installations and rights of way necessary for transporting

from one point to another, including infrastructure that improves economic mobility for individuals.

## Overview of Local Development Districts (LDD)

The NBRC Federal-State partnership is aided by a group of regional organizations called Local Development Districts (LDDs) that assist the NBRC in its outreach activities and administer NBRC investments for grantees. All NBRC awardees are required to work with an LDD as a grant administration and documentation support/technical assistance partner, unless an LDD waiver was approved at the preapplication phase of the process. LDD's will work alongside grantees in the GMS and with reimbursements and other administration tasks.

LDDs provide feedback to the Commission on its current programs and assist in identifying future areas of focus for the Commission. LDDs 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 or regional development commission.

LDDs are knowledgeable about other Federal and State programs that help fund economic and community development projects. They are also aware of local concerns, as most engage in regional economic development planning to varying degrees. All are recognized by the NBRC as being proficient in administering Commission funds for grantees.

LDDs are compensated for their grant administration services through a reimbursement process with the grantee. The grant administration fee for NBRC awards is as follows:

- \$8,000 for awards of \$400,000 or less.
- 2% of NBRC requested amount for awards above \$400,00. LDD grant administration costs are an NBRC eligible cost for an amount not to exceed the formula. LDD grant administration costs must be reflected as a line item within the project budget (SF424cbw) submitted.

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If grant administration assistance is needed, beyond the total available under the formula, those must be paid for with matching funds.

### 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 competitive grant investments within their region.
- Federal legislation states that the Northern Border Regional Commission, “shall enhance the capacity of, and provide support for, local development districts (LDD) in its region.” It outlines responsibilities that LDDs have once they are designated.:
- “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.”
- LDDs shall attend both quarterly and annual training sessions provided by NBRC staff.

### LDD Contracts with Grantee

All grantees are required to contract with a Local Development District (LDD) unless they are a state agency **or have requested and been granted an LDD waiver from the NBRC at the preapplication phase of the process.** Documentation of the grant administration contract must be provided to NBRC as part of the documentation required to receive a Partial or Full Notice to Proceed.

LDDs will have the choice between invoicing a grantee for hours of work performed or for quarterly advancements for services. The payment structure they choose for your project will be outlined in the LDD Contract. Advance payments must be limited to the amount needed and be timed with actual, immediate cash requirements of the recipient in executing the contract.

If a grantee is granted an LDD waiver and wishes to self-administer, they are held to the same allowance as an LDD (\$8,000 for awards of no more than \$400,000 and 2% for all awards above \$400,001). The cost of same must be included in the project budget (SF424cbw) as a dedicated line item.

Engage with your LDD early in the process for support.

NBRC will allow a grantee to request a reimbursement for LDD costs only, in alignment with the ratio allowed. If an LDD chooses to invoice the grantee for quarterly advancements, their contract must include the following:

- Total amount of contract not to exceed the allowed amount
- Period of performance of the LDD contract, in alignment with the project's grant agreement
- Language that addresses a situation where the project may not be completed within the period of performance, (e.g. project requires an extension to complete and still needs LDD assistance)
- A detailed description of the intended LDD support services they will be undertaking
- Method of payment specific to the intended invoicing and reimbursement schedule the parties are agreeing to
- Detailed description of costs and activities that will occur each quarter
- Details on labor categories and associated hourly rates for each LDD staff person who will be working on the contract
- Language addressing a situation where LDD costs are advanced, and the project ends abruptly

### Scope of LDD Contract

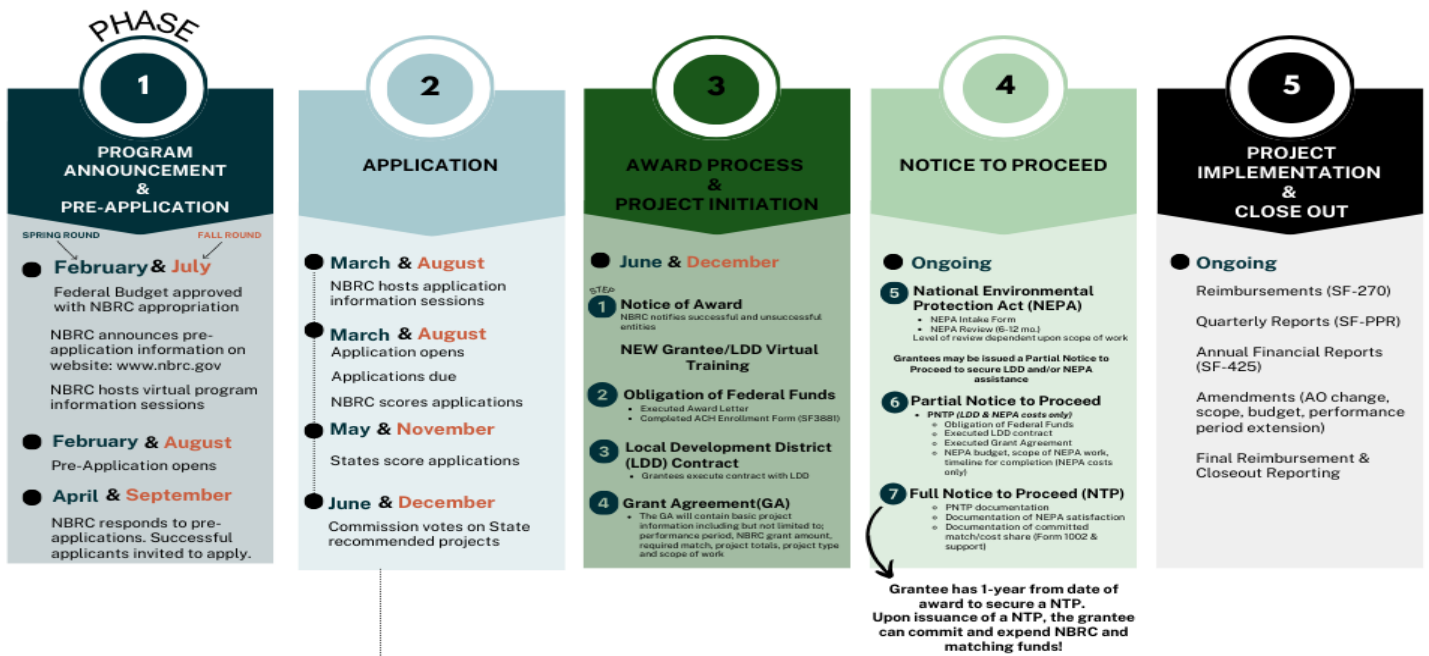
LDDs and grantees are required to host a Project Kickoff Meeting at the beginning of the award to go over roles and responsibilities of grant administration. The date of this meeting should be recorded in the LDD contract. LDDs shall have the following scope of services pertaining to the Grant Administration:

- **Partial and/or Full Notice to Proceed Documentation:** Assist with preparing and submitting required documentation to NBRC. For projects funded from 2024 forward, this includes assistance with uploading the LDD contract in the GMS, assist with getting the Partial Notice to Proceed (PNTP) for LDD costs in place and submitting their matching funds documentation.
- **Quarterly & Annual Reporting:** Ensure the accurate and timely submission of quarterly and annual reports that provide a meaningful overview of project status.
- **Reimbursement Requests:** Provide guidance on preparing and submitting reimbursement requests, including the SF-270 form, to ensure requests are accurate and within the approved budget. Grantees are responsible for tracking expenses and maintaining financial records. LDDs may assist with documentation for NBRC desk reviews and verification of reimbursed and matching funds.
- **Contract Amendments:** Assist with amendments such as changes to authorized officials, budget revisions, extensions, or scope changes.
- **Closeout Reporting:** Ensure timely and accurate submission of all required closeout materials.
- **General Assistance:** Provide guidance on procurement responsibilities, securing contractors, and general NBRC grant requirements.

**NOTE:** LDDs are not responsible for conducting procurement activities, evaluating bids, interviewing consultants, or performing services beyond those outlined in the grant administration contract.

Project management by an LDD is an allowable cost but is outside the scope of the LDD contract. These costs require prior written approval from NBRC, must be listed separately from LDD administration costs in the project budget, and should be governed by a separate contract between the grantee and the LDD. Project management is not considered a sole source activity.

## NBRC GRANT LIFECYCLE



### Timing of Awards and Project Initiation

All NBRC grant programs are made available in two rounds of funding in Spring and Fall. FY 24 awards and onward will be managed within NBRC’s Grants Management System (GMS). All grant lifecycle phases, steps, and documentation requirements will be communicated and maintained within the online grant record. Please see Appendix C for additional guidance.

## 1 Notice of Award

NBRC notifies successful applicants of their award amount in June (spring cycle) or December (fall cycle) via a letter sent by email to the project's Authorized Official (AO). This letter will come through the Grants Management System (GMS) portal. Please note, this is not an approval to expend funds.

**Reminder: A notice of award is not approval to expend funds. A Partial or Full Notice to Proceed (Step 6 &7) must be issued to commit (i.e., execute a contract for services) or expend both NBRC funds and match/cost share funds.**

## 2 Completion of Negotiations

After the award, NBRC works with grantees to complete any required negotiations, including submission of missing or revised documents. All negotiations must be successfully completed before funds are available for use.

For funds to be allocated to a project, the Authorized Official must acknowledge the award, provide required financial information, and complete any application revisions requested by NBRC.

All required negotiations and document revisions will be completed through NBRC's Grants Management System (GMS).

**Reminder: The allocation of federal funds is not approval to expend funds. A Partial or Full Notice to Proceed (Step 6 &7) must be issued to commit (i.e., execute a contract for services) or expend both NBRC funds and match/cost share funds.**

## 3 Local Development District (LDD) Contract

Scheduling a Project Kick Off Meeting with the LDD should happen at this stage, to finalize any terms of agreement for the LDD contract. The LDD provides grant administration review and support, to assist grantees to learn with a built-in tech assistance provider, throughout the entire performance period. You **may not** incur any other expenses related to this contract until you receive either a Partial Notice to Proceed or a Full Notice to Proceed. To be reimbursed for LDD grant administration services, you need to receive a PNTP or NTP (Step 6 &7).

For Grantees awarded funding prior to 2024, the required PNTP documentation must be submitted to NBRC via [admin@nbrc.gov](mailto:admin@nbrc.gov). For projects funded from FY24 forward, the request

must be made via NBRC's Grants Management System (GMS). See Step 6, Partial Notice to Proceed for additional information

Please see the [Role of the Local Development Districts \(LDD\)](#) and Notice to Proceed section of this manual for more information.

An executed LDD contract (if applicable) is part of the documentation required to be submitted to receive a Notice to Proceed. All grantees are required to contract with an LDD unless they applied for and were approved for a waiver in advance of the submission of their application for funding, are a Local Development District or are an agency of State Government.

**There will be no third-party grant administration for NBRC grants.** Consistent with its congressional mandate to build the capacity of Local Development Districts (LDDs), NBRC sole sources grant administration work to LDDs. Grantees may use LDDs for administrative assistance. State agencies and entities that have received an approved LDD waiver from NBRC are exempt from this requirement.

## **4** Grant Agreement

Once all required application support documents have been obtained, NBRC issues Grant Agreements for projects. The following must be completed to issue a grant agreement:

- Obligation of Federal Funds (Step 2)
- Executed LDD Contract (Step 3) *(not required to be issued a grant agreement but is required if a project will be seeking a Partial Notice to Proceed (PNTTP) for grant administration costs.)*

The grant agreement serves as the contract between NBRC and the grantee. It includes basic project information and all applicable grant provisions.

### **Other items covered in the Grant Agreement:**

- **Budget:** Approved expenditure line items may not be changed without prior written NBRC approval (2 CFR 200.308).
- **Construction:** The agreement will identify whether the project is construction or non-construction, which determines additional reporting requirements, including Build America Buy America Act (BABAA)
- **Real Estate and/or Equipment:** The agreement will note any real estate, easement, or equipment purchases, which carry additional reporting requirements.

- Sub-recipients: The agreement outlines any funds sub-awarded to entities other than the recipient. All other contracts, except LDD administration, must follow federal procurement procedures.

## **5** National Environmental Protection Act (NEPA)

Enacted in 1970, the **National Environmental Policy Act (NEPA)** requires federal agencies to consider the environmental impacts of their actions and decisions before proceeding. NEPA does not mandate choosing the action with the least environmental impact; it ensures that potential environmental effects are considered in agency decision-making before a Notice to Proceed is issued.

To analyze potential environmental impacts and streamline the NEPA process, NBRC will:

- Work with our environmental consultant to review your submitted NEPA intake form, which helps determine the required level of NEPA review.
- Notify you, the grantee, of the NEPA documentation that must be completed and submitted to NBRC.
- When NEPA requirements are being met for another federal funder, review that funder's findings to determine if NBRC can adopt them.

**Depending on the level of NEPA analysis required (see below), the NEPA process may take longer than the other required approvals needed to receive a Notice to Proceed.** Grantees may request a project amendment to adjust the project budget and timeline, if a determination is made that your project requires a higher level of environmental review than was initially anticipated. NBRC can also issue a Partial Notice to Proceed to cover costs related to completing NEPA. See the Partial Notice to Proceed section of this manual for additional guidance.

These include, but are not limited to, the National Environmental Policy Act (NEPA), which **prohibits** the obligation or expenditure of project related NBRC funds and non-NBRC funds for activities with physical impacts or which limit the choice of alternatives until the environmental review process is completed and removal of environmental review grant conditions are received from NBRC.

**IMPORTANT! No vendor contracts, commitments of funds or expenditure of match funding without NBRC approval is allowable. Federal requirements on funding restrict NBRC from allowing funds to be deployed until specific requirements are met. NEPA must be satisfied before the grantee makes an irreversible or irretrievable commitment to resources.**

## Levels of NEPA Analysis

**Categorical Exclusion (CATEX):** A category of actions that is predetermined to not individually or cumulatively have a significant effect on the human environment (i.e., planning only, workforce training programs)

- Typically for maintenance, repair or renovation and non-construction activities
- Brief review, no public comment period unless another federal requirement is triggered
- Typically completed in < 1month.
- No public comment period (unless another federal requirement is triggered, such as Section 106 (historical structures)
- If project is a CATEX, NBRC in coordination with our environmental consultant, will prepare, execute and issue CATEX Determination.

**Environmental Assessment (EA):** Prepared when an action may or may not cause significant impacts

- Typically for new construction activities
- Robust review, typically ranging from 6 – 12+ months
- Often require hiring a consultant to create NEPA Environmental Assessments
- Estimate \$10,000-\$25,000 (based on project details)
- Work with NBRC to secure a Partial Notice to Proceed (PNTTP) to complete NEPA
- Preliminary design plans for NEPA may also require securing a PNTTP
- Utilize NBRC's EA Template and Guidance document for detailed instructions guidance, and examples see [www.nbrc.gov/nepa](http://www.nbrc.gov/nepa)
- EA Draft review Process generally requires 2-4 reviews and each review by NBRC/environmental consultant takes 1-2 weeks. Includes a 30-day public comment period
- Finding of No Significant Impact (FONSI) - NEPA satisfied, grantee can move to securing a Full Notice to Proceed

**Environmental Impact Statement (EIS):** Prepared when an action is expected to cause a significant impact on the human environment

**Please Note: Even if a project may qualify for a CATEX, additional requirements, such as Section 106 (historic structure), Section 7 (Endangered Species), and 8-Step Analysis (Floodplains & Wetlands) also need to be taken into consideration from both budget and timeline perspectives.**

## Understanding NEPA Implementation Across Federal Agencies

- 1. Varied Implementation:** Each federal agency implements the NEPA differently.
- 2. Agency-Specific Procedures:** Agencies are required to adhere to their own NEPA procedures and guidelines.
- 3. Example: USDA vs. NBRC:**

- **USDA Experience:** A project categorized as a CATEX under USDA regulations.
- **NBRC Regulations:** The same project may not be considered a CATEX under NBRC regulations.

**4. Takeaway:** Experience with NEPA procedures in one agency does not guarantee the same outcomes in another agency.

#### **Categorical Exclusion (CATEX)**

- Renovations/Replacement
  - Do not change the functional use of property
- Demolition (non NRHP eligible structures)
- Additions (on adjacent disturbed land)
- Acquisition and installation of equipment
- Small new construction projects (on previously disturbed land)

#### **Environmental Assessment (EA)**

- Renovations that change the functional use of property
- Demolition on National Register of Historic Places (NRHP) or eligible places
- Additions on previously undisturbed lands
- Larger new construction

#### **NEPA Resources**

- [NBRC Website](#)
- **Local Development Districts:** Some LDD partners are familiar with completing NEPA (whether or a prior NBRC award or through other federal funders). If an LDD can assist a grantee with completion of NEPA, this is an eligible NBRC cost and is separate from the LDD grant administration allowance. If a grantee needs assistance with completing NEPA and access to NBRC grant funds to complete NEPA, they should consider requesting a Partial Notice to Proceed (PNTTP) to cover NEPA related costs as well as LDD grant administration assistance.
- **Contractors:** In some instances, it may make sense for an applicant to work with a contractor with NEPA experience to support the development of NEPA documents. While NBRC does not require a stand-alone NEPA contract to be competitively bid, as the nature of the activity is limited in nature and often falls under the federal government’s micro-purchase, grantees are encouraged to solicit estimates from an adequate number of qualified sources. If the contract exceeds the federal government’s micro-purchase threshold of \$15,000, grantees must solicit an adequate number of qualified sources as part of the process.

If the grantee’s own procurement procedures establish a lower dollar limit than that established by the federal government, for the micro-purchase and/or simple acquisition threshold, the lower limit must be followed. In addition to inclusion of clauses that define a sound complete and enforceable agreement, the grantee will

ensure that the contract contains in text or adopts by reference the clauses contained in 2 CFR 200, [Appendix II](#), as applicable.

- **State Historic Preservation Offices.** Contact information for these offices can be found on the NEPA resources page of the NBRC website here: [NEPA Resources](#).

## **6** Partial Notice to Proceed

A Partial Notice to Proceed (PNTP) can be utilized to cover the following expenses that may be incurred prior to a Full Notice to Proceed is issued, in alignment with the project budget (SF424cbw):

- LDD assistance (Up to 50% of the LDD fee is allowable). LDD costs can be incurred back to confirmation of the commitment of funds for the award.
- Tasks associated to complete NEPA including environmental consultants as approved by NBRC (scope, budget, timeline). See detailed NEPA contract guidance above.

**Reminder: The date of a Partial Notice to Proceed is very important!**

**All grantees must receive a Partial or Full Notice to Proceed before they can commit or expend any NBRC funds or match funds that are part of the NBRC funded project.**

The following items must be in place for a **Partial Notice to Proceed** to be issued.

- Completion of Negotiations (Step 2)
- Executed LDD Contract (Step 3) (if applicable)
- Fully executed Grant Agreement (Step 4)
- Budget, scope of work to be completed, & timeline for completion (Includes NEPA and all other assistance)
- Form 1002 Committed Match Form and Documentation of Committed Match to support PNTP activities and costs only (if applicable)

The PNTP request submittal must include the following:

- Executed [PNTP Request Form](#)
  - This form will provide NBRC with a clear understanding of project activities and associated costs
  - The PNTP NBRC creates and issues to the grantee will provide clear authorization language of the activities and funds covered by the PNTP
- Any required documentation not previously provided to NBRC in Steps 2-4, such as NEPA scope, budget and timeline and/or NBRC Form 1002 Committed Match and Supporting Documentation (if applicable)

Projects requiring a Notice of Federal Interest as required per 45 CFR 1303.46 may incur costs as authorized in the PNTP, for LDD grant administration and NEPA related activities, and are eligible to be reimbursed for costs of same before the NFI is recorded. If the project involves purchase of property, and those funds are being considered as part of match/cost share, a PNTP may need to be requested if the closing will occur prior to the project securing a Full Notice to Proceed.

Once the project receives a Full Notice to Proceed, recordation of the NFI must occur when property is purchased or when construction or renovation begins. A copy of the notarized NFI and proof of recordation must be provided to NBRC before reimbursement of funds is authorized under the Full Notice to Proceed. Fees charted for recording or modifying the NFI may be charged to the grant.

**No reimbursements** will be processed for work conducted prior to receiving a Partial or Full Notice to Proceed. In addition, any match/cost share funds committed (i.e., executed contracts for service) or expended prior to the issuance of a Partial or Full Notice to Proceed will NOT be eligible.

If a grantee requires a Partial Notice to Proceed for some project activity other than LDD assistance and/or completion of NEPA, such as to cover a down payment on property acquisition, please contact NBRC for guidance via [admin@nbrc.gov](mailto:admin@nbrc.gov).

**IMPORTANT! No vendor contracts, commitments of funds or expenditure of match funding without NBRC approval are allowed. Federal requirements on funding restrict NBRC from allowing funds to be deployed until specific requirements are met.**

**These include, but are not limited to, the National Environmental Policy Act (NEPA), which prohibits the obligation or expenditure of projects related NBRC funds and non-NBRC funds for activities with physical impacts or which limit the choice of alternatives until the environmental review process is completed and removal of environmental review grant conditions are received from NBRC.**

## **7** Full Notice to Proceed

NBRC requires its grantees to secure a Full Notice to Proceed (NTP) within a year of date of award. Failure to secure a Full NTP within that time will require the grantee to submit a request for an NTP extension documenting the challenges and delays to date and the intended timeline to secure an NTP. The extension requires review and approval from the State(s) where the project was funded. If granted, the NTP extension will be for one year. **NBRC reserves the right to not allow multiple extensions on the same project if significant progress toward securing an NTP is not satisfactorily demonstrated.**

**Reminder: The date of a Full Notice to Proceed is important!**

**A Full Notice to Proceed (NTP) authorizes the grantee to commit and expend funds for all project related activities in alignment with the project budget (SF424cbw) on file.**

The following items MUST be in place before a *Full* Notice to Proceed will be issued.

- Obligation of Federal Funds (Step 2)
- Executed LDD Contract (Step 3) (if applicable)
- Fully executed Grant Agreement (Step 4)
- Documentation of satisfactory completion of National Environmental Policy Act (NEPA) (Step 5)
- NBRC Form 1002: Documentation of committed match. The amount of match listed in the grant agreement must be committed to serve as match for the project and not been previously committed or expended. The amount of match in the Grant Agreement must align with Form 1002 and commitment documentation from each source listed must be provided. Form 1002 and the committed match documentation must be combined as one PDF prior to submission.

**Important: No vendor contracts, commitments of funds or expenditure of match funding without NBRC approval is allowable. Federal requirements on funding restrict NBRC from allowing funds to be deployed until specific requirements are met.**

**These include, but are not limited to, the National Environmental Policy Act (NEPA), which prohibits the obligation or expenditure of project related NBRC funds and non-NBRC funds for activities with physical impacts or which limit the choice of alternatives until the environmental review process is completed and removal of environmental review grant conditions are received from NBRC.**

## Securing Match

The amount of match is identified within the executed grant agreement for the project in alignment with the SF424cbw (project budget) on file.

Documentation of committed match (NBRC Form 1002) together with letters of commitment from all match sources listed on Form 1002 must be submitted to NBRC.

- ***Grantee provided 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 grant agreement.

**Please note: 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, and 3. 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, but may take the form of city council approval, a Town or City manager who 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, this may mean that a Notice to Proceed is not issued until after that time - meaning that no part of the scope can be completed 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 Services:*** Provide a written plan of how the volunteer in-kind donation will be calculated. The volunteer rate may be used as match and should be consistent with the national average, current value of Volunteer Time. Volunteers may not be: (a) counted for the same activity in a different project (counted twice), or (b) 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 rate calculated at the time of the grant agreement. The indirect cost rate identified in the grant agreement will be the rate for the performance period of the project. While the national rates may fluctuate, it is not feasible to renegotiate these rates during the project period.
- ***Municipal Force Accounts:*** These types of accounts may be used. Recipients must document that they have the staff and experience. Force account work is limited to work that the municipality can demonstrate is within the technical skill and managerial ability of the recipient and its forces. The recipient must provide an accounting of time and costs and provide appropriate documentation of indirect costs. Both staff salaries, and cost of mobilization and fees for vehicles may be counted as match when those costs are appropriately documented.
- ***Land or other donated real property or equipment:*** **NOTE: land transfers may not take place until after the Notice to Proceed has been issued.** A Letter of Intent from the current property owner will suffice and should include: 1. commitment to provide the land to the project; 2. the sale and 'appraised' value of the land; 3. anticipated date of transaction; and 4. identification of the property.

**Please note: The donation of land or other real property requires a certified commercial appraisal. A municipal assessment is not an appraisal. The certified commercial appraisal**

**of the land and/or real property must not be older than 18 months. Even if the property is being donated, a certified commercial appraisal is required. An appraisal of the property must have been completed within the past 18 months, and a copy of same provided to NBRC as part of the documentation required for the project to be issued a Notice to Proceed. NOTE: A municipal assessment is NOT an appraisal. NBRC utilizes an appraisal as a tool to evaluate reasonableness of the value of the property.**

- **Equipment:** Recipients may match the NBRC award with the value of equipment and supplies provided to the project by themselves or by third parties. The value of property provided by a grant recipient must be consistent with the Uniform Guidance Subpart E. When property is donated by third parties, special rules apply: the value of donated equipment and supplies cannot be higher than the fair market value of the property at the time of the donation. 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. description of the equipment.

Match requirements may be met by other Federal grants where authorized for up to 80% of the total project cost, so as not to exceed the maximum federal contribution allowed as outlined in *Supplements to Federal grant programs* 40 USC 15506.

NBRC funds can, however, be used to satisfy the non-federal cost sharing or match requirements for a project under another Federal grant program for which NBRC is not the sole or primary funding source as outlined in 40 USC 15507. In these instances, NBRC funds would not count towards the federal share of the total project. With NBRC approval, section 15507 can be applied to any project when NBRC is not the sole or primary funder with unmet match requirements.

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 may count towards satisfying a cost sharing or matching requirement if it is expressly permitted in the terms of the grant agreement. NBRC has opted to regard program income through the addition method as outlined in 2 CFR 200.307(b)(2). If you are unsure if the program you are intending to use is allowable, please contact NBRC via admin@nbrc.gov.

Program income as defined in 2 CFR 200.307, means gross income earned by the recipient or subrecipient that is directly generated by a supported activity or earned as a result of the award during the period of performance. Grant-related income shall include, but not be limited, to income from service fees, sales of commodities, or usage or rental fees. All grant-related income shall be reported to NBRC in the progress and final reports required by the Grant

Agreement. If program income is earned as a result of expenditures, it must be spent on allowable eligible costs of the project.

Under the award, program income shall be added to funds committed to the project by NBRC and recipient and used to further eligible project activities or be deducted from the total project or program allowable cost in determining the net costs on which the federal share of costs is based. As outlined in 2 CFR 200.307(c) the recipient is not accountable for program income earned after the period of grant support unless NBRC requires otherwise.

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 subrecipients. 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 within 1 year following the award year.** For example, if you received a 2025 Catalyst award in the Spring Round (June), all match necessary to complete the project must be secured by July 1, 2026. For the Fall Round, when awards are made in December, the match to complete the project must be secured by the end of the following December.

**When seeking NBRC funding, entities must consider meeting this programmatic benchmark. This amount of time allows for extraordinary situations that may occur. If a grantee encounters programmatic challenges and realizes they will not be able to meet this deadline, they should be proactively communicating with NBRC, the State Program Manager(s) where the project was funded, and the project's LDD (when applicable), to discuss the situation and determine the best path forward.**

If the project cannot move forward, these funds can be returned to **NBRC and will be reallocated to the State(s) where the project was funded and made available in a future round of funding.**

## Procurement

Procurement actions involve the purchase of goods and services needed to support the grant award. When conducting procurement transactions under a Federal award, a State or Indian Tribe must follow the same policies and procedures it uses for procurements with non-Federal funds. If such policies and procedures do not exist, States and Indian Tribes must follow the procurement standards in Title 2/Part 200 §§ 200.318 through 200.327. In addition to its own

policies and procedures, a State or Indian Tribe must also comply with the following procurement standards: §§ [200.321](#), [200.322](#), [200.323](#), and [200.327](#). All other recipients and subrecipients, including subrecipients of a State or Indian Tribe, must follow the procurement standards in §§ [200.318](#) through [200.327](#).

**2 CFR 200 Appendix II must be contained in text or adopted by reference.**

Use this language in your RFP/RFQ to ensure compliance.

**Made in America** laws are applicable to federal financial assistance (such as grants). In accordance with the policy of the United States Government, consistent with applicable law, use, terms and conditions of Federal financial assistance awards and federal procurements, recipients must maximize the use of goods, products, and materials produced in, and services offered, in the United States. Whenever possible, the recipient shall procure goods, products, materials, and services from sources that will help American businesses compete in strategic industries and help America’s workers thrive. See [2 CFR 184](#) for more information.

“Made in America Laws” means all statutes, regulations, rules, and Executive Orders relating to Federal financial assistance awards or Federal procurement, including those that refer to “Buy America” or “Buy American,” that require, or provide a preference for, the purchase or acquisition of goods, products, or materials produced in the United States, including iron, steel, and manufactured goods offered in the United States. “Made in America Laws” include laws requiring domestic preference for maritime transport, including the Merchant Marine Act of 1920 (Public Law 66-261), also known as the Jones Act, and domestic content preference for infrastructure programs including the **Build America, Buy America Act (BABAA)** enacted on November 15, 2021.

All grantees 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, including the implementing requirements at 2 CFR Part 184 and M-24-02, as summarized here. None of the funds provided under this award may be used for an infrastructure project unless:

- a. 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.
- b. 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 percent 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.
- c. All construction materials are manufactured in the United States. This means that all manufacturing processes for the construction material occurred in the United States. The construction material standards are listed in the definitions section below.

Incorporation into an infrastructure project - The Buy America preference only applies to articles, materials and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

All recipient and subrecipient contracts under NBRC financial assistance awards for infrastructure, issued on or after May 8, 2023, must include a contract provision explaining the Build America, Buy America Act (BABAA) requirements and a self-certification where contractors can certify compliance with domestic preference requirements outlined in BABAA, unless NBRC waives the BABAA requirement.

### **BABAA Contract Level Compliance**

All recipient and subrecipient contracts under NBRC financial assistance awards for infrastructure, issued on or after May 8, 2023, must include a contract provision explaining the Build America, Buy America Act (BABAA) requirements and a self-certification where contractors can certify compliance with domestic preference requirements outlined in BABAA, unless NBRC waives the BABAA requirement.

Contractors and their subcontractors who apply or bid for an award for an infrastructure project subject to the domestic preference requirement in the Build America, Buy America Act (BABAA) shall file the required certification to the non-federal entity with each bid or offer for an infrastructure project, unless a domestic preference requirement is waived by NBRC.

Contractors and subcontractors certify that no federal financial assistance funding for infrastructure projects will be provided unless all the iron, steel, manufactured projects, and construction materials used in the project are produced in the United States. BABAA, Pub. L. No. 117-58, §§ 70901-52. Contractors and subcontractors shall also disclose any use of federal financial assistance for infrastructure projects that do not ensure compliance with BABAA domestic preference requirement. Such disclosures shall be forwarded to the grant recipient who in turn will forward the disclosures to NBRC, the federal awarding agency; subrecipients will forward disclosures to the pass-through entity, who will in turn forward the disclosures to NBRC.

For NBRC financial assistance programs subject to BABAA, contractors and subcontractors must sign and submit the following certification to the next tier (e.g., subcontractors submit to the contractor; contractors submit to the non-federal entity).

**Please see the Appendix of this manual for suggested contract language.**

In 2025, NBRC began issuing the following targeted and limited waivers:

**De Minimis Purchases:** a waiver for otherwise covered infrastructure project purchases, totaling up to 5 percent of the total applicable project costs, up to a maximum of \$1,000,000. Once a Federal financial assistance recipient's total purchases of materials otherwise covered by the Buy America preference (iron, steel, manufactured products, and construction materials) reach five (5) percent of applicable project costs or \$1,000,000, whichever is lower, all other applicable project purchases must comply with the Buy America preference. *For purposes of this waiver "applicable project costs" are defined as material costs subject to the Buy America Preference.*

**Small Grants:** a waiver of the Buy America domestic content procurement preference for small grants. The small grants waiver will apply to Federal financial assistance awards at or below the Simplified Acquisition Threshold (SAT), which is currently \$350,000, that meet the following criteria: 1. the total Federal award does not exceed the SAT, and 2. the Federal award amount, inclusive of other funding sources for the infrastructure project, is not anticipated to exceed the SAT for the life of the Federal award.

**Minor Components:** a waiver of the Buy America domestic content procurement preference to allow minor deviations for miscellaneous minor components within iron and steel products. The minor components waiver will allow non-domestically produced miscellaneous minor components comprising no more than five (5) percent of the total material cost of an otherwise domestically produced iron and steel product. This waiver does not exempt an entire iron and steel product from the Buy America preference; the primary iron and steel components of the product must still be produced domestically. *For purposes of this waiver, "minor components" means an article material, or supply, whether manufactured or non-manufactured, incorporated directly into an iron or steel product that comprises no more than 5 percent of the total material cost of the iron or steel product.*

If you would like one of these waivers to be applied to your project, email NBRC via [admin@nbrc.gov](mailto:admin@nbrc.gov) for a final determination. Please note your project name and award number in the subject line.

**Please see the [NBRC's website](#) for additional guidance on BABAA requirements and the waiver process.**

NBRC reserves the right to review the procurement procedures of the grantee at any time during the application review process or during performance of the grant in accordance with 2

CFR 200.325. Recipients must keep all procurement documents in their project file in the event the project is monitored and/or audited for programmatic compliance. Grantees funded with USDA dollars may be required to provide copies of procurement procedures during the performance of the grant.

It is the responsibility of the grantee to review and understand these applicable procurement requirements. While Local Development Districts are available to assist with procurement; the grantee is responsible for ensuring that the process is conducted properly.

## **Code of Conduct**

Grantees must have a written code of conduct that governs the behavior of their officers, employees, and agents who are involved in the selection, award, and administration of contracts. This code must, at a minimum, provide that these individuals refrain from participating in such actions if they have a real or apparent conflict of interest. Grantees must disclose in writing any potential conflict of interest to NBRC's Program Director. (2 CFR 200.112). A conflict of interest includes when the employee, officer, agent, board member, any member of their immediate family, their partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from an entity considered for a contract. Further, these individuals must neither solicit nor accept anything of value from a prospective or incumbent contractor. Additional information about the code of conduct is contained in 2 CFR 200.318 (c).

## **Solicitation**

Grantees must ensure that all solicitations (invitations for bids/quotes and requests for proposals) contain a clear and accurate description of the product or service being procured, identify all requirements that the offeror must fulfill, and all factors that will be used in evaluating bids or proposals.

## **Competition**

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

- Placing unreasonable requirements on firms for them to qualify to do business.
- Requiring unnecessary experience.
- Noncompetitive pricing practices between firms or between affiliated companies.

- Noncompetitive contracts to consultants that are on retainer contracts.
- Organizational conflicts of interest.
- 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
- Any arbitrary action in the procurement process.

The grantee must ensure that all pre-qualified lists of persons, firms, or products used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition.

### **Small/Minority/Women/Veteran-Owned Businesses, Labor Surplus Area Firms**

When possible, the recipient or subrecipient should ensure that small businesses, minority businesses, women's business enterprises, veteran-owned businesses, and labor surplus area firms are considered as set forth below. Such consideration means:

1. These business types are included on solicitation lists;
2. These business types are solicited whenever they are deemed eligible as potential sources;
3. Dividing procurement transactions into separate procurements to permit maximum participation by these business types;
4. Establishing delivery schedules (for example, the percentage of an order to be delivered by a given date of each month) that encourage participation by these business types;
5. Utilizing organizations such as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
6. Requiring a contractor under a Federal award to apply this section to subcontracts.

### **Bonding**

Northern Border Regional Commission has the minimum requirements as follows:

- 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.
- 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.
- 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 under the contract.

- If the contract is less than \$100,000 NBRC may consider a Letter of Commitment (LOC) in lieu of a bond.
- A grantee must provide NBRC with a LOC which includes a brief description of the work being undertaken, the contractor's name, amount of contract, and that the commitment is intended to ensure NBRC's federal interest is protected. A grantee must receive authorization from NBRC of the LOC in lieu of a bond.

It is the responsibility of the grantee to understand government procurement procedures. The LDD's role is to assist with knowing the process, but they are not hired to conduct the process for the grantee. All records of how solicitations were made, and the process and criteria used to obtain services and contracts shall be part of the records of the project and kept in accordance with other Record Retention rules.

## **Methods of Purchasing**

In accordance with 2 CFR 200.320, there are five methods that are permitted to be used in purchasing goods and services under a grant. If any policy or procedure applicable to the grantee under state or local law, or enforceable procedure, precludes, limits, or restricts the use of one or more of these methods, the grantee must follow the more stringent requirement.

### **Micro-Purchases**

*Purchases by micro-purchase is when the aggregate amount of the procurement transaction does not exceed \$15,000 (set by the FAR at 48 CFR part 2, subpart 2.1). If the grantee's own purchasing procedures establish a lower dollar limit than that established by the federal government, the lower limit must be followed. Micro-purchases may be awarded without soliciting competitive quotations if the grantee considers the price reasonable based on research, experience, purchase history, or other information and maintains documents to support its conclusion.*

### **Simplified Acquisition Procedures**

Purchases under this procedure involve solicitation of an adequate number of qualified sources when the size of the transaction is not expected to exceed the federal government's "simplified acquisitions threshold" (currently \$350,000). Once again, if the grantee's own procurement procedures establish a lower threshold, the lower threshold must be followed. As noted above, the solicitation is expected to identify the features of the goods and/or services being procured so that offers can be assessed based on their comparability. This method is almost exclusively used when there is a specific item, like equipment, that needs to be purchased.

## Competitive Sealed Bids

Through this procedure, bids publicly solicited through an invitation and a firm fixed price contract is awarded to the lowest responsive and responsible bidder. This is the preferred method for construction, generally referred to as a Request for Proposal. For sealed bidding to be feasible, the following conditions should be present:

- A complete, adequate, and realistic specification or purchase description is available.
- Two or more responsible bidders have been identified as willing and able to compete effectively for the business; and
- The procurement lends itself to a firm-fixed-price contract, and the selection of the successful bidder can be made principally based on price.
- If sealed bids are used, the following requirements apply:
  - Bids must be solicited from an adequate number of known suppliers, providing them with enough response time prior to the date set for opening the bids. Unless specified by the Federal agency, the recipient or subrecipient may exercise judgment in determining what number is adequate. For local governments, the invitation for bids must be publicly advertised.
  - The invitation for bids must define the items or services with specific information, including any required specifications, for the bidder to properly respond.
  - All bids will be opened at the time and place prescribed in the invitation for bids. For local governments, the bids must be opened publicly.
  - A firm-fixed-price contract is awarded in writing to the lowest responsive and responsible bidder. When specified in the invitation for bids, factors such as discounts, transportation cost, and life-cycle costs must be considered in determining which bid is the lowest. Payment discounts must only be used to determine the low bid when the recipient or subrecipient determines they are a valid factor based on prior experience.
  - The recipient or subrecipient must document and provide justification for all bids it rejects.

### ***What happens when there are limited or no bidders on a project?***

The grantee should consider rebidding the project and expand the advertising area to capture a wider audience. If this still produces limited responsive bidders, the grantee may request authority from NBRC to award a contract on a sole source basis. If there were still no bidders, the grantee should consider breaking down the project into segments that would attract specific trades and contractors. In any case, the grantee should fully document their attempts to provide open competition. However, this procedure can present management and oversight challenges for the grantee and should only be used if no other solution is present.

## Competitive Proposals

*Procurement by competitive qualifications, typically referred to as a Request for 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 contract. Examples include teachers or training experts for job development, engineers, architects, website development, meeting facilitation, or research experts. If this method is used, the following requirements apply:

- Requests for proposals require public notice, and all evaluation factors and their relative importance must be identified. To the maximum extent practical, any proposals submitted in response to the public notice must be considered.
- Proposals must be solicited from multiple qualified entities.
- The recipient or subrecipient must have written procedures for conducting technical evaluations and making selections.
- Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
- The recipient or subrecipient 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 the price is not used as a selection factor, can only be used to procure A/E or other professional services. The method may not be used to purchase other services provided by 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 after written authorization from NBRC and only when one or more of the following circumstances apply.

The following is detailed information of qualifying situations intended to help a grantee evaluate sole source requests. The sole source approval request only needs to meet one of these qualifying situations. However, all the conflict-of-interest items must be addressed in the justification.

### **The item is only available through a single source**

- Does independent research through internet searches or discussions with subject matter experts corroborate that the item is available only from a single source?
- Does the request demonstrate the uniqueness of items or services to be procured from the proposed contractor or vendor (e.g., compatibility or patent issues, etc.)?

- Does the request demonstrate and support how it determined that the item or service is only available from one source (e.g., market survey results, independent agency research, patented or proprietary system)?
- Does the request demonstrate a significant need for contractor's expertise linked to the current project (e.g., knowledge of project management, responsiveness, experience of contractor personnel, and/or prior work on earlier phases of project)?

**Public Emergency:** The public exigency or emergency for the requirement will not permit a delay resulting from providing public notice of a competitive solicitation. This would be an extreme case such as a natural disaster and highly unlikely to be used by NBRC.

- Is there a public emergency such as a natural disaster or catastrophic event?
- Has there been a declared state of emergency in which these goods and services will be needed? Is there an immediate health or safety concern?

### **Inadequate Competition**

- Does the request adequately describe the efforts to competitively contract for this item? For example, were requests for proposals or bids conducted and what was the nature of the responses?
- Does the request adequately describe the efforts to ensure the contract pricing is fair and reasonable?
- Does the request provide results of a market survey to determine competition availability or explain why no survey was conducted?

### **Conflict of Interest/Suitability/Procurement Standards (justification must address all items)**

- Does the request ensure there is no conflict of interest with the proposed vendor?
- Does the request indicate that the Excluded Parties List was checked and that the proposed vendor has not been debarred from receiving federal funds?
- Does the request include evidence that the procurement will be completed in compliance with the organization's procurement policies and the procurement standards outlined in 2 C.F.R. Part 200, including the required contract provisions?

A checklist of documentation must be submitted to NBRC to support a sole source justification request for approval to enter into a noncompetitive contractual relationship with a contractor under a Federal award, where the contracted costs exceed the Simplified Acquisition Threshold of \$350,000.

- A brief description of the project which includes the amount to be designated for the sole source procurement, the purpose of the contract, and an itemized budget for the contract amount.
- Efforts the project made to procure a contractor through an open and competitive bid process, such as an RFP or RFQ, including a copy of bid documentation, where

publicized, responses to same. This is required to be provided to support why it is necessary to contract in a noncompetitive manner.

- Identify which one (or more) of the circumstances identified above, for which NBRC will consider approval of a sole source contract, applies to the procurement transaction, and include information to support same.
- If the item or service is available only from one source, please include the following:
  - Uniqueness of items or services to be procured from the proposed contractor or vendor.
  - How the agency determined that the item or service is only available from one source (e.g., market survey results, patented or proprietary system, etc.)
  - Explanation of need for contractors' expertise linked to the current project (e.g., knowledge of project management, prior work on earlier phases of project, etc.)
  - Any additional information that would support the request for sole source justification.

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

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

## **Contract Award**

In addition to inclusion of clauses that define a sound complete and enforceable agreement, the grantee will ensure that the contract contains in text or adopts by reference the clauses contained in 2 CFR 200, Appendix II, which are expressly laid out in the recipient's grant agreement.

## **Contract Administration**

The grantee is responsible for exercising oversight to ensure that the contractor complies with the terms and conditions of the contract and delivers in accordance with the established schedule. Grantee oversight can include, but is not limited to, review of invoices and back-up documentation, conduct of site visits, and withholding of payment corrective action.

A retainage account may be set up to ensure the project is satisfactorily completed. The amount of retainage withheld must comply with the state laws where the project is located. A Retainage Agreement must be reached, and included in the contract, between the grantee and the prime contractor to establish a procedure for holding the retained funds until all parties agree that the retainage may be released to the contractor upon satisfactory completion of the project. Retainage account funds may be deposited into a mutually agreed upon financial

institution, in a separate account. If deposited into an interest-bearing account, any accrued interest belongs to the contractor.

## Project Signage

NBRC does not require grantees who receive our funding to post a project sign, but it is strongly encouraged. If a sign is posted, it should be in a highly visible area identifying participation of NBRC and include NBRC's logo. Please visit NBRC's website to view and download our [media-promotions](#) information.

## Property

Title to supplies, equipment, and real property acquired under a grant vest with the grantee that purchased it. However, NBRC retains a residual financial interest in grant acquired property under certain circumstances.

### Types of Property

Federal regulations contained in [2 CFR 200](#) address the treatment of real property, equipment, supplies, and intangible property (such as copyrights and patents) purchased with grant funds. However, because of the activities financed by NBRC grants, most of its grantees will deal primarily with equipment and real property.

## Equipment

For grant budgeting purposes, equipment is defined as items of tangible property having a useful life of more than one year and a unit acquisition cost exceeding \$10,000. Used equipment can be purchased as long as it is advantageous to the federal government to buy used, and an explanation why buying without a warranty is better. Please avoid conflicts of interest, quid-pro-quo, etc. In accordance with federal cost principles at [2 CFR 200.439](#), purchase of such items requires NBRC prior approval, which will generally be provided as part of the approval of the grant award budget.

All other equipment is considered supplies and should be listed as such in the grantee's budget. Personal computers are now generally accepted as supplies. Requirements of equipment management are contained in [2 CFR 200.313 \(d\)](#) and include property records containing specific data elements; a periodic inventory every two years; control procedures to prevent loss, damage, or theft; maintenance procedures to keep the equipment in good working condition; and disposition procedures that provide for competition and will result in the highest possible return. These disposition procedures are outlined in [2 CFR 200.313](#) and involve seeking NBRC instructions.

The procedures include the need to determine the fair market value of any equipment that will be disposed of. One method of such a calculation is through a depreciation schedule that reduces the value on a straight-line basis over the useful life of the equipment. Other reasonable methods of determining fair market value may also be used, such as reliance of catalog prices or classified advertising. Items of equipment with a per unit fair market value of \$10,000 or less may be retained, sold, or otherwise disposed of with no further obligation to NBRC.

The grantee in some situations may provide NBRC with their inventory number if appropriate. In addition to all other required closeout documentation, the grantee must create and submit a depreciation schedule for the equipment that has been purchased if its fair market value exceeds \$10,000. The grantee must also provide NBRC with a list of the equipment and identifiable information, such as photos, serial #s, etc. **Please see the closeout section of manual for further guidance.**

Equipment shall contain a 'conditional title', and the grantee must not encumber the equipment without written permission from NBRC. Equipment must be used for the purpose and scope of the grant outlined in the grant agreement until the equipment is fully depreciated, or funds will be required to be returned to NBRC.

Grantees are required to be prudent in the management of equipment acquired and/or improved with Federal funds. Grantees are also responsible for replacing or repairing property which is willfully or negligently lost, stolen, damaged or destroyed. Upon acquisition or improvement of equipment purchased with NBRC funds, the grantee must, at a minimum, provide for the same level of insurance coverage as it maintains for other personal property it owns. If it does not own other personal property, adequate to cover the dollar amount of the Federal investment, as required by 2 CFR 200.310.

Insurance is required for the equipment, as would customarily be warranted, to protect the interest of the grantee. Equipment is required to be inventoried every two years. NBRC tracks this through grantee provided documentation: Standard Form 428-S.

## Real Property

Real property may be improved or acquired only when authorized by NBRC and when outlined in the budget of the grant agreement. Real property means land, including land improvements, structures, and appurtenances thereto, but excludes movable machinery and equipment.

The donation of land or other real property requires a certified commercial appraisal. A municipal assessment is not an appraisal. The certified commercial appraisal of the land and/or real property must not be older than 18 months. Even if the property is being donated, a certified commercial appraisal is required. An appraisal of the property must have been

completed within the past 18 months, and a copy of same provided to NBRC as part of the documentation required for the project to be issued a Notice to Proceed. NBRC utilizes the appraisal as a tool to evaluate reasonableness of the value of the property. NOTE: A municipal assessment is NOT an appraisal.

Like equipment, real property must be used for its originally authorized purpose as long as needed for that purpose, during which time the grantee must not dispose of or encumber its title or other interests. Title to real property improved or acquired, equipment, and supplies acquired by the recipient using funds from this agreement vests with the recipient.

In general, if a recipient proposes to build on property owned by someone else, NBRC must ensure the recipient has clear, enforceable property rights and has met all requirements prior to commencing with any project activities leading up to and including construction. The recipient must document a legal real property interest for the project's entire useful life. This usually means a permanent easement (most common for bike paths), right-of-way agreement, or fee simple ownership. NBRC will not issue a Notice to Proceed unless the property interested is signed and recorded and allows for construction, operation, maintenance and public access. If the property interest is acquired using federal funds the acquisition must comply with the federal interest requirements for real property articulated below.

To protect the federal interest, when the NBRC investment is for the acquisition of real property a Notice of Federal Interest (NFI) is required to be filed in the appropriate official records of the jurisdiction where the property is located. When the NBRC investment in real property is for improvements, rehabilitation, construction, etc. and said investment is \$250,000 or greater, a Notice of Federal Interest is also required to be filed in the appropriate official records of the jurisdiction where the property is located. Documenting interest will alert others of the federal interest, however the federal interest exists even if NBRC's contribution is less than \$250,000.

**Property must be used for the originally authorized purpose as long as needed for that purpose, during which time the grantee must not dispose of or encumber its title or the federal interest. The federal interest can be subordinated to the rights of a lender or other third party only with NBRC approval. A subordination agreement must be in writing and preserve the notice of federal interest and the grantee's obligation for its federal share.**

The NFI must be recorded and provided to NBRC before requesting a reimbursement of funds under the award. If the project has been issued a Partial Notice to Proceed specific to completion of NEPA and/or Local Development District (LDD) assistance, those authorized costs are eligible to be reimbursed before the NFI is recorded. Once the project receives a Full Notice to Proceed, recordation of the NFI must occur when property is purchased or when construction or renovation begins. A copy of the notarized NFI and proof of recordation must be provided to NBRC before a reimbursement of funds will be authorized under the Full Notice to Proceed. Fees charted for recording or modifying the NFI may be charged to the grant.

NBRC's use of an NFI is a condition to grant funds that protects taxpayer investments in projects involving infrastructure and equipment. The NFI ensures that the use of public funds continues to benefit taxpayers in the ways that were intended, based on the purpose for which the grant was initially awarded. NBRC views an NFI as a covenant than a lien, as it is not intended to secure the repayment of a debt. Rather, the recipient acknowledges that it holds title to the property in trust for the duration of the federal interest period and agrees, among other commitments, that if there are changes to a project for which funds were awarded or if property or equipment is sold or disposed of, in a manner inconsistent with the purpose of the award the recipient will repay the government the depreciated amount of its original investment. Easements for utility, cable and similar services that benefit the real property and are consistent with the authorized use are not considered an encumbrance. NBRC typically requires a 20-year NFI but can opt to shorten this period if the property is no longer needed for the originally authorized purpose.

Grantees are required to be prudent in the management of property acquired and/or improved with Federal funds. Grantees are also responsible for replacing or repairing property which is willfully or negligently damaged or destroyed. Upon acquisition of real property or completion of the construction or renovation, the grantee must, at a minimum, provide for the same level of insurance coverage as it maintains for other property it owns; or, if it does not own property, adequate to cover the dollar amount of the Federal investment, as required by 2 CFR 200.310.

### **Real Property Monitoring**

The uniform standards require grantees to submit reports at least annually on the status of real property in which the Federal Government retains an interest, unless the Federal interest in the real property extends 15 years or longer. In those instances where the Federal interest attached is for a period of 15 years or more, the Federal awarding agency or pass-through entity, at its option, may require the non-Federal entity to report at various multi-year frequencies. Consistent with the requirements, NBRC currently requires grantees to submit the Real Property Status Report SF-429 in which there is a federal interest, at time of project closeout.

A grantee is required to report as required under 2 CFR 200.330. NBRC may require the grantee to report throughout the period of federal interest and reserves the right to conduct an annual inventory of real property.

Upon completion of the construction or renovation, the grantee must, at a minimum, provide for the same level of insurance coverage as it maintains for other property it owns; or, if it does not own property, adequate to cover the dollar amount of the Federal investment, as required by 2 CFR 200.310.

## Reporting

Every NBRC award recipient is required to provide reports, regardless of whether any project activity has occurred or any requests for reimbursement have been made. ***These are not optional tasks for grantees. If a grantee fails to submit required reports, access to NBRC funds may be restricted and other additional actions may be enforced.*** See the Programmatic Compliance section of this manual for more information.

Grants awarded prior to FY 24 must submit reports to [admin@nbrc.gov](mailto:admin@nbrc.gov) with the NBRC project number in the subject line. All other grantees (FY 24 and onward) must submit required reporting and closeout documentation within the GMS. If a grantee has not submitted their required reports, reimbursements will not be processed until the outstanding reports have been filed and the grant is back in programmatic compliance.

### Performance Progress Report (SF-PPR)

The **Performance Progress Report (SF-PPR)** must be used for bi-annual report submissions. The performance narrative must include but is not limited to the following:

#### 1. Project Status:

*Planned:* defined as projects that have NOT yet received a Notice to Proceed (NTP). All activities prior to receiving a NTP should be reported on, including NEPA review process, design and permitting. Projects that have received a Partial Notice to Proceed should classify the project as planned and report on activities permitted as part of the Notice to Proceed.

*In-progress:* defined as projects that have received a Notice to Proceed and are actively implementing the project work plan.

**\*Effective in FY25 Quarter 1, Broadband related projects must also submit a completed data questionnaire in accordance with requirements from the National Telecommunications Administration (NTIA). This questionnaire will also be required to be submitted at closeout along with a broadband service map.**

*Completed:* defined as projects that have finished the implementation of a project work plan and are in the final stages of completing reporting, reimbursement requests, and closeout activities. All activities after the closeout process will be defined as completed and may include filing of applicable Notice of Federal Interest or 3-year post award reporting.

#### 2. Description of Project Activities:

The description should include a summary of progress on tasks in the work plan including the status of tasks (not started, in progress/on schedule, not on schedule, completed).

If a task is complete, include a description of the outcomes and explain any differences between expected and achieved outcomes.

If there has not been any activity this quarter, explain why no progress has been made and any expected impacts to the project timeline.

**3. Challenges and/or Successes:**

This reporting element should include a description of current or potential roadblocks to future progress if applicable. Include any expected impacts to the project schedule.

Similarly, if applicable, this reporting element should include a description of strategies (e.g. techniques, partnerships, community engagement) used to achieve successful project milestones or overcome challenges experienced in the project.

**4. Press or media links:** Please share links to any articles or public announcements about the project during this reporting period.

Additional SF-PPR guidance can be found on the resources tab of NBRC’s website.

For all awards reports are due along the following schedule, from date of award year through project closeout. **Reports are required to be submitted even if there has been no project activity:**

Reporting Period	Report Due
July 1 - December 31	January 30
January 1 – June 30	July 30

**\*SF-425 Annual Federal Financial Report due on Oct 30**

**NOTE:** Requests for amendments, including project extensions, should not be made utilizing the performance report. Project amendments must be made as outlined in the Changes to a Project section of this manual. Requests for reimbursement should be submitted to NBRC separate from the submission of reporting.

### Annual Financial Reports (SF-425)

Annual financial reports are NOT requests for reimbursement. They are reports on the financial status of the project using Standard Form 425. Please do not include any other forms when submitting your SF425. **These reports are due annually and again at project closeout, regardless of the amount of work that has been completed.** For all NBRC grantees, the financial report is due by October 30<sup>th</sup> for each federal fiscal year (October 1 to September 30) and 45 days after the close of the project - even if the closeout of the project takes place only a month or two after the October 30<sup>th</sup> date.

Additional SF-425 guidance can be found on the resources tab of NBRC’s website.

## Closeout Reporting

Closeout documents are required to be submitted within 90 days after completion of the project (which may occur anytime during the performance period) or within 90 days from the end of the performance period, whichever is sooner. There are several items required for project closeout and all forms can be found on the resources tab of the NBRC’s website.

Figure 5 below provides a list of forms and helpful hints for successful project closeout.

Form	Description	Helpful Hints
<b>SF-270</b>	<b>FINAL Reimbursement Request</b>	<ul style="list-style-type: none"> <li>• Ensure <b>11.a.</b> (Total program outlay) and <b>11. g.</b> (federal share) are consistent with grant agreement and budget. It is ok to “over match”, but NBRC funds must not exceed GA amount.</li> <li>• Check FINAL in box <b>1.b</b></li> </ul>
<b>SF-PPR</b>	<b>FINAL Performance Report</b>	<ul style="list-style-type: none"> <li>• Ensure all bi-annual reports have been submitted to date</li> <li>• Provide a summary of the ENTIRE project from notice to proceed to completion</li> <li>• Check FINAL</li> </ul>
<b>SF-425</b>	<b>FINAL Federal Financial Report</b>	<ul style="list-style-type: none"> <li>• Provide a financial summary of the ENTIRE project Box 10a. Project total should include last reimbursement request to =total NBRC award (unless de-obligating funds)</li> </ul>
<b>GPRA</b> (Government Performance & Results Act)	<b>Performance Measures</b>	<ul style="list-style-type: none"> <li>• List outcomes of grant from original work plan (#jobs created, feet of new waterline, etc.)</li> <li>• Amounts should match Final 270</li> </ul>
<b>SF-428S</b> (if applicable)	<b>Equipment Inventory</b>	<ul style="list-style-type: none"> <li>• Only required if equipment purchased over \$10k.</li> <li>• Depreciation schedule required for EACH item (spreadsheet template available)</li> </ul>
<b>SF-429A</b> (if applicable)	<b>Real Property</b>	<ul style="list-style-type: none"> <li>• Document real property with a recorded Notice of Federal Interest (NFI).</li> <li>• Provide leases, if applicable.</li> </ul>
<b>Other</b>	<b>Project photos, deliverables, etc.</b>	<ul style="list-style-type: none"> <li>• Photo Release Form &amp; 3-5 photos of final project</li> <li>• Reports/Service Maps/Blogs/Final products</li> <li>• <b>Broadband projects must complete a NTIA questionnaire</b></li> </ul>

## Reimbursements

**NBRC grant funds are made available through a reimbursement process.** Consistent with 2 CFR §200.334 grantees must maintain supporting documentation (invoices, receipts, payroll records, etc.) for **both** NBRC requested funds as well as expended match. Records must be retained for three years from the date of submission of the final financial report (Sf-425). Documentation includes anything that is necessary to demonstrate that the funds were spent; costs were incurred, and work was completed. This section covers timing, completion, and submittal requirements for reimbursement(s).

### Requests for Reimbursements

All NBRC grantees are required to submit a SF-270 when submitting a request for reimbursement. While grantees will not be required to submit support documentation with each request, they are required to maintain documentation in their project files for both NBRC requested funds and expended match/cost share as NBRC will perform a minimum of two standardized desk reviews during the period of performance. More information about the standardized desk review process is listed below.

### Timing of Reimbursements

Grantees (except for those funded through our partnership with USDA\*) may submit requests for reimbursement on their own schedule following these basic rules:

- **Period Covered by the Request (Box 8 of the SF-270):** All time periods from the start of the project to closeout must be accounted for and not overlap. If this is your first request, the start date should match your Notice to Proceed date. No expenses incurred, or invoices submitted that reflect dates prior to the Notice to Proceed date are eligible to be reimbursed by NBRC. Please note that a Partial Notice to Proceed may allow reimbursement of pre-approved eligible expenses prior to issuance of a NTP.
- **No Overlapping Time Periods:** For example, do not submit a request for reimbursement from February 1 - March 31 for one amount, and another request for reimbursement from March 1 - April 30. It is the grantee's responsibility to ensure that their records are kept in such a manner that they can appropriately document their costs when funds are needed for the month.
- **No Skipped Time Periods:** For example, if a previous request period ended March 31, your next reimbursement request should begin on April 1.
- **Monthly Dates for Request Period:** Requests for reimbursements should reflect complete months in Box 8 of the SF-270. Do not submit a request for reimbursement for April 5 to April 28 and then another for April 29 to May 15. An appropriate request period for this example would be April 1-May 31.

**Projects receiving USDA funds are required to review Appendix A for additional information on timing of requests for reimbursements and other USDA specific compliance.**

## **Standardized Desk Review**

During a grantee's period of performance, a minimum of two desk reviews will be completed. When a desk review occurs, it will be specific to the current reimbursement request only. The grantee will be informed of the NBRC's request for a desk review and will be given a limited period to produce the required support documentation. Support documentation must reflect both the NBRC requested amount as well as expended match/cost share specific to the pending reimbursement request.

To be best prepared for a desk review, grantees are strongly encouraged to utilize the various reimbursement tools and resources created by NBRC. These include NBRC's Reimbursement Tracker (or something similar a grantee has created on their own) which is required to be utilized when supporting documentation exceeds 40 pages in length. Keeping detailed records at each request will assist a grantee in timely completion of a desk review.

NBRC may complete a desk review and/or request more detailed financial reports/documentation at any time throughout the grantee's period of performance. NBRC will always request support documentation on the project's first reimbursement request. This will ensure the grantee is clear on what support documents they should retain in their files and be prepared when a desk review occurs at a future date.

NBRC, Inspectors General, the Comptroller General of the United States, or any of their authorized representatives, reserve the right of access to any records pertinent to the federal award, to perform audits, execute site visits, or for any other official use (2 CFR §200.337).

## **Supporting Documentation**

There may be a wide variety of ways to demonstrate costs for NBRC requested funds and match funds when a desk review is requested. Some examples include:

- Application and Certification for Payment (AIA Document G702) or another equivalent.
- Receipts for purchase of goods and supplies.
- Payroll records for staff salaries and/or benefits.
- Sign in sheet for volunteers with attached math demonstrating hours volunteered and the process used to arrive at match amount.
- Invoices from selected contractors and/or purchases. *\*An estimate is not an invoice.*

**Supporting documentation should demonstrate the following:**

- Dates of the expense fall within the request period (Box 8 of the SF270).
- All costs must be eligible expenses, in alignment with the project's most up-to-date budget (SF424cbw)
- Indirect costs must be reflected within the SF424cbw. If a reimbursement that includes indirect costs is flagged for desk review, a Certification of Indirect (F&A) Costs, executed by the project's Authorized Official must be provided at time of reimbursement whether the grantee is seeking reimbursement of NBRC funds for those costs or utilizing them to meet the match/cost share requirement of the NBRC award.

#### **INELIGIBLE COSTS:**

- Application preparation
- Alcohol
- Entertainment
- Appraisals of property to be purchased or used as match
- Allowance or payment of debts
- Maintenance, including routine, deferred, and short-term operational needs
- Any costs committed or spent before receiving a Partial and/or Full Notice to Proceed from NBRC. This includes NBRC award funds, and any funds documented as match for the project
- Travel/meals/lodging\*
- Food and beverages\*

\*Travel costs: Consistent with 2 CFR §200.475, include transportation, lodging, subsistence and related items incurred by employees of the grantee who are specifically identified as having a role in the project according to the project's budget (SF424cbw). NBRC grantees may charge on a per diem basis that is applied to an entire trip and not to selected days of the trip and in accordance with the entity's written travel reimbursement policies. Travel costs of these officials are allowable when included within the grantee's SF424cbw, when the costs are reasonable and consistent with the grantee's travel policy and must be specifically related to the federal award. Out-of-state travel and/or commercial air travel are allowable costs when specifically related to the NBRC award. NBRC reserves the right to request a grantee's travel policy for consistency. NBRC also reserves the right to deem costs ineligible for NBRC reimbursement and/or match/cost share if the costs are unnecessary or excessive in nature, are inconsistent with the grantee's travel policy, and/or are not clearly related to the individual's role in the award or the intended outcomes of the project.

- Meals (including food and beverage costs): NBRC will **only** cover the cost of food and beverages when being purchased by the grantee for the express purpose of hosting a conference or forum held in support of the project. These costs must be clearly outlined in the project budget (SF424cbw).

- The cost of meals (including food and beverage) when incurred by employees or officers of the grantee as part of their travel, are not eligible to be reimbursed by NBRC. When these costs are included as part of a per diem rate under the grantee’s travel policy, and the participation of the individual is necessary to the federal award, those costs can be counted toward a grantee meeting the required match/cost share of the NBRC award. NBRC reserves the right to request a grantee’s travel policy for consistency. If the grantee does not have a written travel policy, NBRC will defer to GSA statute and their per diem for meals. NBRC also reserves the right to deem these costs ineligible as match/cost share if they are inconsistent with the grantee’s travel policy or GSA statute, are unnecessary or excessive in nature, and/or are not clearly related to the individual’s role in the award or the intended outcomes of the project.
- **The costs of alcoholic beverages or tips associated with the purchase of food or beverages are ineligible** to be reimbursed by NBRC and are also ineligible to be utilized as match/cost share to the NBRC award.

### Completing the SF270

Requests for reimbursement are required to be made using the SF270 Request for Reimbursement form. Please refer to our [sample SF 270 form](#) for step-by-step instructions on how to complete the SF270 accurately:

### Submitting the SF270

Grants awarded prior to FY 24 must submit requests for reimbursement to [admin@nbrc.gov](mailto:admin@nbrc.gov) with the NBRC project number in the subject line. All other grantees (FY 24 and onward) must submit the required SF-270 and associated project information within the GMS. See Appendix C for additional guidance.

**If a grantee has not submitted their required reports, reimbursements will not be processed until the outstanding reports have been filed and the grant is back in programmatic compliance.**

### How long does it take to receive funds?

**All projects should be able to pay their bills within a month (roughly 30 days) of receiving them without anticipating that NBRC will cover costs immediately.** NBRC’s reimbursement process is a two-step process. Once NBRC has processed a reimbursement the request is sent to our financial services provider who handles the functional work of disbursing funds. Assume for planning purposes that NBRC funds may be received a month after submitting a request for reimbursement.

Do the math in the expense tracker tool first.

**NOTE: USDA projects are reimbursed monthly and may take at least 30 days to process.**

**5% of the total NBRC award will be held until all project closeout documents are received by NBRC.** A grantee's final reimbursement request will not be processed until all required closeout documentation is received.

## Changes in a Project

The approved grant agreement and budget establish the planned parameters of award performance. However, the award provisions are often based upon estimates and projects that may need to be modified once performance begins. Such modifications may involve the time for performances, the scope of the project, and the funding provided. Grantees should not move forward with any project changes before receiving approval from NBRC as such actions may trigger enforcement measures authorized by 2 CFR 200.207 or 2 CFR 200.308. **Refer to Appendix A for USDA project information.**

All project changes require the completion and submission of an official contract amendment request. Grants awarded prior to FY 24 must submit a Contract Amendment form and required documentation (available on the NBRC's website) and submitted to [admin@nbrc.gov](mailto:admin@nbrc.gov) with the NBRC project number in the subject line. All other grantees (FY 24 and onward) must submit the request and associated project information within the GMS.

## Types of Changes

### Change in Key Personnel (Authorized Official)

The NBRC "Authorized Official" is the grantee's executive that has been granted permission via authorized resolution to sign all NBRC investment documents that bind the applicant. At time of application for funding, applicants are required to provide a resolution from the entity's legal authority indicating the name and title of the person they are authorizing. This person is listed on the first page of the grant agreement.

If the Authorized Official changes during the performance period of an award, grantees are required to provide NBRC with:

- Official contract amendment request either utilizing the Contract amendment form (pre-2024) or submitting a project change and required documents within the GMS (2024 and onward)
- Key Contacts Form (pre 2024 grantees only)
- Authorized Official Resolution

In the event there is an unexpected AO change or staff turnover, and the current AO is unable to update their organization's Authorized Official Resolution (AOR) the secondary user within the grantee's

organization may email the AOR to [admin@nbrc.gov](mailto:admin@nbrc.gov). Grants awarded prior to FY 24 must submit the required documentation to NBRC via [admin@nbrc.gov](mailto:admin@nbrc.gov) with the NBRC project number in the subject line. All other grantees (FY 24 and onward) must submit the required documentation within the GMS. See the *GMS Grantee Toolkit* for further guidance.

While NBRC does not mandate the form for the Authorized Official Resolution, recognizing many entities have their own template, **the resolution must indicate the executive's name and title as well as state their permission to sign all NBRC investment documents that bind the applicant.** Only *one individual* can be the Authorized Official for a project. Examples of legal authorities include select boards and councils for municipalities; commissions for counties; state authorized officials or boards for states; boards of directors, or trustees for nonprofits.

The individual who is named as the Authorized Official (AO) for the project may not self-attest and/or be a witness to an Authorized Official Resolution. For example, if the Chairperson of the Board of Directors is typically a signatory on an AOR, in addition to the Chairperson's signature the AOR will also need to include attestation language from the Board's Secretary. **See the [Resources page of NBRC's website](#) for further Authorized Official information and sample language.**

If a grantee wishes for other key grant personnel to be included in project-related correspondence, a Key Contacts Form would also need to be provided for those individuals but does not need to be supported by any type of resolution or other support documentation. As a reminder, only authorized officials may sign NBRC documents that bind the applicant (i.e., grant agreement, SF-270, SF425).

### **Budget Redirection and/or Scope of Work Change**

No increases to the NBRC award will be made. Any cost overruns are the responsibility of the grantee. In accordance with [2 CFR 200.308](#), when the federal share of the project costs exceeds \$250,000, NBRC exercises its option to limit cumulative transfers between existing direct cost categories (line items) or grant programs, functions, or activities to ten (10) percent or less of the budget as last approved by NBRC.

In accordance with [2 CFR 200.207](#), NBRC may exercise this option in cases where the federal share of the project is less than \$250,000. As noted above and consistent with [2 CFR 200.308](#), budget changes that involve revision of the scope of work or objectives of the project (regardless of the grant amount) require NBRC prior approval.

When circumstances arise that interfere with the grantee fulfilling the approved scope, a change in scope may be requested. This is a formal process under which the grantee must submit a narrative detailing the proposed scope change and any associated budget modifications, together with confirmation the identified match on the project remains in place.

If the timeline/performance period of the project changes because of the scope change a revised timeline must also be provided.

Changes in scope or objective of the award, whether as a result of the applicant, co-applicant, or subrecipient, require NBRC's written approval in accordance with 2 CFR 200.308. Scope/objective changes will be considered on a case-by-case basis, provided the change does not negatively impact on the competitive process used to recommend NBRC awards. NBRC and/or the State(s) where the project was funded may reject change requests where they believe approval of same changes the scope, outcomes, or impacts of the project and what is being proposed significantly differs from the project that was initially put forth and selected for funding.

The narrative must explain the rationale for adding, modifying, or deleting an activity and explain how such revisions will affect the expected outcomes of the project.

Requests for a budget and/or scope modification should include:

- Official contract amendment request either utilizing the Contract amendment form (*pre-2024*) or submitting a project change and required documents within the GMS (*2024 and onward*)
- Description of project re-scope (what has been completed to date, reason for change, etc.)
- Revised project budget (SF-424cbw) AND budget adjustment summary
- Revised project timeline
- Revised work plan
- Revised match commitment form (if applicable)
- Environmental Review (NEPA) update required including impacts to historic preservation? If yes, provide updated environmental review documentation

Grantees are cautioned against moving forward without prior approval of changes from NBRC. Such action may trigger enforcement steps by NBRC, such as those permitted under 2 CFR 200.208 (imposition of special conditions), and 2 CFR 200.339 (suspension or termination of award). For projects funded through partnership with USDA, there may be extra steps. Please see Appendix A.

### **Requests for Extension**

If a project cannot be completed within the approved period of performance, an extension of time may be requested. Requests should be made prior to the end of period of performance listed in the grant agreement. If the grant agreement is expired no funds can be reimbursed.

Requests for extension should include:

- Official contract amendment request either utilizing the Contract amendment form (*pre-2024*) or submitting a project change and required documents within the GMS (*2024 and onward*)
- Justification of need for contract extension
- Revised project timeline

- Description of project progress to date
- Confirmation budget and scope are not changing
- Confirmation committed match remains in place
- If the scope, budget, or match will be changing, documentation to support those changes must also be provided.

*NBRC allows extensions in one (1) year increments. If additional time is being requested, coordination with the State Program Manager (SPM) is required. Subsequent requests will also require coordination with the SPM.*

If an extension is not approved, or if 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.

## **Other Project Changes**

All organization name changes, or non-profit status changes must be reported to NBRC.

Requests for organizational changes should include:

- Official contract amendment request either utilizing the contract amendment form (*pre-2024*) or submitting a project change and required documents within the GMS (*2024 and onward*)
- Updated SF424
- Updated UEI or Sam.gov banking enabled information
- Certificate of Good Standing (if grantee is a non-profit)
- IRS Determination Letter (if grantee is a non-profit)
- Key Contacts Form (if name change also results in change to Authorized Official)
- Updated Authorized Official Resolution (if name changes results in change to Authorized Official)

## **Programmatic Compliance**

NBRC exercises responsible stewardship of federal funds in a manner that is transparent and accountable to the public. This approach builds trust in future appropriations and demonstrates the success of the collaborative effort of the Federal Government and the States of Maine, New Hampshire, New York, and Vermont.

Oversight of programs and projects is important to ensure that grant agreements are carried out in the manner anticipated, to deter fraud and abuse, and to recommend future policies to promote efficiency with limited dollars. Equally important is the need to tell the successful stories of communities throughout the region and how funds have leveraged investment, public support, and innovation.

NBRC staff will respond to all indications of fraud, waste and/or abuse and will rely on applicable laws and regulations and, if necessary legal counsel, to determine appropriate response actions and remedies.

Under 2 CFR 200.303 grantees must establish, document, and maintain effective internal control over the federal award that provides reasonable assurance that the recipient or subrecipient is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. It is the grantee's responsibility to become familiar with the requisite obligations that they assume by seeking and accepting public dollars.

NBRC staff will work with grantees to ensure that instances of noncompliance are isolated and unintentional. However, there may be instances where a formal corrective action plan is warranted. The objective is to bring the grantee into compliance and to minimize disruption to the federally funded project, if possible.

Grantees should be alert to conditions that may represent noncompliance. These include but are not limited to:

**Level I - Failure to follow required administrative procedures:**

- Lack of documentation necessary to justify expenses for reimbursements, including match/cost share and/or desk reviews
- Improperly completing forms and grant agreements
- Incomplete or late reports (performance or financial)
- Incomplete project files
- Consistently missing signatures and dates on documents, or other lack of attention to detail that demonstrates capacity and/or professional limitations
- Failure to notify NBRC when there is a change in key contact information

**Level I noncompliance will result in project being unable to request NBRC funds until the noncompliance(s) are satisfactorily corrected. See enforcement of compliance below for additional guidance.**

**Level II - Failure to follow federal statutes, rules, policies and/or the NBRC Grant agreement:**

- Lack of communication with NBRC and/or the contracted LDD
- Use of funds outside the scope of services outlined within the NBRC grant agreement
- Failure to meet the match outlined within the NBRC grant agreement
- Use of funds, equipment or other resources purchased with NBRC funds to obtain income when not expressly written into the NBRC grant agreement
- Not completing the project within the project timeline as described in the NBRC grant agreement unless a formal written extension has been granted

- Purchase of equipment and/or real property when not explicitly outlined within the NBRC grant agreement
- Incomplete, or failure to attain, the deliverables outlined in the Grantee's application and/or NBRC grant agreement
- Use of funds that are inconsistent with all federal and state laws
- Improper procurement
- Use of funds that in any way influences activities associated with obtaining grants, contracts, competitive agreements, or loans as laid out in 2 CFR 200.450.
- Repeated instances of level I noncompliance
- Not following a corrective action plan outlined in response to Enforcement of level I noncompliance

**Level II noncompliance will result in a project being flagged as on hold and unable to seek reimbursement and may result in project costs being deemed ineligible for NBRC reimbursement or counted as match/cost share. Repeat level II noncompliance may also result in the payback of NBRC funds.**

**Consistent and/or egregious acts of noncompliance, in addition to what is noted above, may also result in the project being ineligible to seek NBRC funding for a specific period of time. See enforcement of compliance below for additional guidance.**

## **Enforcement of Compliance**

If NBRC determines a level I or level II failure as outlined above and the noncompliance is material in its nature or degree, or that work performed under the grant is substandard or performed in any way that violates federal, state, or local law, NBRC may undertake enforcement actions consistent with the requirements of 2 CFR 200.207 and 2 CFR 200.339.

Written notice of any enforcement action will be sent by documented means to the responsible official of the grantee noted in the grant agreement. Enforcement action may include, in progressive order of discipline:

- Impose special conditions in accordance with 2 CFR 200.207.
- Disallow all or part of the cost of the activity or action found to be in noncompliance; disallowed costs will be collected in accordance with the Federal Claims Collection Standards (31 CFR 900).
- Temporarily withhold cash payments pending correction of the deficiency by the grantee.
- Wholly or partly suspend or terminate the Federal award. NBRC is required to report terminations for material failure to comply with award terms and conditions to the Federal Awardee Performance and Integrity System (FAPIS), which may affect future Federal funding for the grantee.

- Determine, based on the risk assessment procedures in 2 CFR 200.206, not to fund a grant application submitted by the grantee.
- Initiate suspension and/or debarment proceedings as authorized under 2 CFR 200.214. This requires NBRC to notify the System of Award Management (SAM) of the issues, which may prohibit other Federal funding to the Grantee in the future for a period of 5 years.

## Monitoring

Monitoring by NBRC involves the continuous collection of relevant information about the performance and administration of grantees. Monitoring can be conducted using a variety of techniques including routine communication with grantees, desk review of submitted information and required reports, and site visits.

## Site Visits

NBRC may conduct site visits as needed but is not required to do so. The purposes of the site visits may involve enhancing communications with the grantee, reviewing project progress and administrative activities, gathering information that has not been obtained through other means, and providing support and technical assistance.

Prior to the site visit, NBRC staff will contact the grantee and, if needed, provide the checklist that may be used during the visit. When an inquiry is made, all files shall be made available to NBRC or the State where the project was funded. See the Appendix of this manual for NBRC's protocol for monitoring and site visits.

## Records Retention and Access

Financial records, supporting documentation, statistical records, and all other grantee records pertinent to the NBRC grant award must be retained for a period of three years following submission of the final expenditure report on that award in alignment with Federal Records Acts, National Archives and Records Administration (NARA), and NARA GRS (General Records Schedules) policies. If the project involves active litigation, retention of all files, communication, documentation pertaining to potential active investigation will need to be maintained beyond the three years. These records must be accessible to NBRC, the Comptroller General of the United States, independent auditors and the States of Maine, New Hampshire, New York and Vermont, independent auditors engaged by the grantee, and any of the duly authorized representatives for the purpose of making audits, examinations, excerpts, and transcripts. In accordance with Executive Order 13642, electronic and machine-readable formats are the preferred method for collecting and storing such records. The rights of access include timely and reasonable access to the grantee's personnel and contractors for the purpose of interview

and discussion related to the records. Additional instructions about exceptions to these general rules and possible extension of the retention period are contained in [2 CFR 200.334](#).

## Dispute and Appeals

A Grantee may appeal any finding of noncompliance and resulting enforcement action. The appeal shall be in writing and contain supporting evidence. It must be sent to NBRC within 30 calendar days of receipt of the notice identified above. All appeals shall be reviewed by the Federal Co-Chair. The Federal Co-Chair shall render a decision to dismiss, amend or uphold the recommendation of NBRC staff. If the Grantee disagrees with the Federal Co-Chair's decision, the same appeal may be submitted to the State Governor's Alternates and a determination to dismiss, amend, or uphold shall be issued by this body. All determinations by the Governor's Alternates shall be considered final decisions of NBRC.

## Place of Record

Northern Border Regional Commission business of record is located at 53 Pleasant Street, Suite 1501, Concord, NH 03301 or [admin@nbrc.gov](mailto:admin@nbrc.gov). Any records held at locations other than this will not be considered as part of the record or be received for purposes of processing applications, invoices, communications, requests for reimbursement or other transactions.

## Website

[www.nbrc.gov](http://www.nbrc.gov)

## Contacts

### Representing the Federal Government

Christopher M. Saunders, Federal Co-Chair | (603) 369-3001, ext. 1 | [fedcochair@nbrc.gov](mailto:fedcochair@nbrc.gov)

### Representing the State of Maine

The Honorable Janet Mills, Governor, State Co-Chair

Governor's Alternate to the NBRC: Michael Duguay Commissioner, Maine Department of Economic Community Development

State Program Manager: Currently vacant. In interim, NBRC ME Program Coordinator: Sarah Demers | (207) 624-7448 | [sarah.demers@maine.gov](mailto:sarah.demers@maine.gov)

### **Representing the State of New Hampshire**

The Honorable Kelly Ayotte, Governor

Governor's Alternate to the NBRC: Lucy Lange, Commissioner New Hampshire Department of Business & Economic Affairs

State Program Managers: Ian Carmichael | (603) 419-9709 | [ian.m.carmichael@livefree.nh.gov](mailto:ian.m.carmichael@livefree.nh.gov)

### **Representing the State of Vermont**

The Honorable Phil Scott, Governor

Governor's Alternate to the NBRC: Tayt Brooks, Deputy Secretary, Vermont Agency of Commerce & Community Development

State Program Manager: Kristie Farnham | (802) 398-5268 | [kristie.farnham@vermont.gov](mailto:kristie.farnham@vermont.gov)

### **Representing the State of New York**

The Honorable Kathy Hochul, Governor

Governor's Alternate to the NBRC: Mark Pattison, Deputy Secretary of State

State Program Manager: Kyle Wilber | (518) 473-3694 | [kyle.wilber@dos.ny.gov](mailto:kyle.wilber@dos.ny.gov)

### **Northern Border Regional Commission Staff**

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Marina Caceres, FEP/T4T/USDA Program Manager | [mcaceres@nbrc.gov](mailto:mcaceres@nbrc.gov)

Elizabeth "Liz" Cross, Rural Healthcare Coordinator | [ecross@nbrc.gov](mailto:ecross@nbrc.gov)

Sarah Lang, Capacity Program Coordinator | [slang@nbrc.gov](mailto:slang@nbrc.gov)

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### **Finance and Evaluation Team**

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Stephanie Case, Reimbursement Coordinator | [scase@nbrc.gov](mailto:scase@nbrc.gov)

Ace Arroyo, Data Reporting Specialist | [aarroyo@nbrc.gov](mailto:aarroyo@nbrc.gov)

## APPENDIX A: PROJECTS FUNDED THROUGH THE NBRC-USDA PARTNERSHIP

Projects funded through NBRC's partnership with USDA Rural Development must follow both NBRC Administration, Compliance and Monitoring requirements, as well as specific USDA compliance standards as outlined in this appendix. In some cases, meeting both agencies' requirements may require additional or modified operational steps. Grantees should follow NBRC procedures except those modified within this section. Grantees are welcome and encouraged to submit compliance-related questions to NBRC via [admin@nbrc.gov](mailto:admin@nbrc.gov). Be sure to include your grant number in the subject line!

### **Award Process & Project Initiation:**

Projects will follow the same award process and project initiation steps outlined in the **Award Process & Project Initiation** section of the NBRC Compliance Manual, with the following caveat:

Before a notice to proceed can be issued, grantees must complete and send RD 400-4 Assurance Agreement to NBRC. This form will be provided to the grantee upon award initiation. The RD 400-4 is required by USDA partners and filed with the NBRC.

### **Procurement:**

Projects should follow the procurement procedures outlined in the **Procurement** section of the compliance manual, *and* projects may be required to submit copies of their procurement documents to NBRC.

### **Reimbursements:**

Projects will follow the same process for reimbursements as described in the **Reimbursement Requests** sections of the NBRC Compliance Manual, with the following caveats:

- Every reimbursement request will follow the Desk Review process
- Reimbursements must be submitted on or before the 3<sup>rd</sup> Monday of the month.
- Projects which have a reimbursement rate listed on their grant agreement will follow the process listed for all grantees. If the reimbursement rate is 100%, then the grantee is not required to show match/cost share until project closeout. Otherwise, the project must comply with the reimbursement rate reflected in their grant agreement and demonstrate required match as NBRC funds are requested. Failure to satisfy any match

requirement by the conclusion of the project may lead to disallowance of federal funds already drawn and spent.

**Project Changes/Amendments:**

All project changes require the completion and submission of NBRC’s Contract Amendment Form. Refer to the **Project Changes/Amendments** section of this compliance manual for more information. USDA *does not allow* budget re-allocations above 10% within categories of any size or percentage without pre-approval. For changes above 10%, NBRC will work with the grantee and partners at USDA RD to process the budget adjustment. Please contact [admin@nbr.gov](mailto:admin@nbr.gov) if you seek a budget re-allocation or other project changes.

## **APPENDIX B: BUILD AMERICA BUY AMERICA ACT**

**Suggested Language:**

The following provides suggested language for self-certification:

The undersigned certifies, to the best of their knowledge and belief, that:

The Build America, Buy America Act (BABAA) requires that no federal financial assistance for “infrastructure” projects is provided “unless all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States.” Section 70914 of Public Law No. 117-58, §§ 70901-52.

The undersigned certifies that for the \_\_\_\_\_ (Project Name and Location) \_\_\_\_\_ the iron, steel, manufactured products, and construction materials used in this contract are in full compliance with the BABAA requirements including:

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 purchased with NBRC financial assistance must be produced in the United States. For a manufactured product to be considered produced in the United States, 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.

“The, \_\_\_\_ [Contractor or Subcontractor] \_\_, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the [Contractor or Subcontractor] understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.”

\_\_\_\_\_

Signature of [Contractor’s or Subcontractor’s] Authorized Official

\_\_\_\_\_

Name and Title of [Contractor’s or Subcontractor’s] Authorized Official

\_\_\_\_\_

Date

### **FINAL CERTIFICATION LETTER**

NBRC award recipients and subrecipients may consider requesting a final manufacturer certification letter. For a final certification letter, the final manufacturer that delivers the product to the worksite, vendor, or contractor provides a certification asserting that all manufacturing processes occurred in the United States. Additional documentation may be needed if the certification is lacking important information. Sample final certification language is included below.

### **SAMPLE FINAL CERTIFICATION LETTER**

Company letterhead

Date

Company Name

Company Address

City, State Zip

Subject: Build America, Buy America Act Certification for Project (XXXXXXXXXX)

I, (company representative), certify that the following products and/or materials shipped/provided to the subject project are in full compliance with the Build America, Buy America Act (BABAA) requirement as mandated in the Infrastructure Investment and Jobs Act (IIJA) Pub. L. No. 117-58, §§ 70901-52.

Item, Products and/or Materials:

1. XXXX
2. XXXX
3. XXXX

Such process took place at the following location:

If any of the above compliance statements change while providing material to this project, we will immediately notify the prime contractor and the engineer.

**Signed by company representative**

If a project is funded by multiple Federal entities, the entity representing the largest investment in the project is considered the “Cognizant Agency for Made in America” and should take responsibility for the coordination of any waivers produced. For additional details, updates and FAQs please click here: [Made in America Office \(MIAO\)](#).

When necessary, recipients may submit a written waiver request to NBRC to waive the Buy America Preference. Waiver requests are subject to public comment periods of no less than 15 days and must be reviewed by NBRC and the Office of Management and Budget Made in America Office.

Recipients should consult the NBRC website to determine whether there are any applicable waivers in place.

When NBRC has determined that one of the following exceptions applies, a final determination of the waiver request will be made by the Made in America Office:

- Applying the domestic content procurement preference would be inconsistent with the public interest (“public interest waiver”);
- The 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 (“nonavailability waiver”);
- 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 percent (“unreasonable cost waiver”)

## **APPENDIX C: COMMUNITY SITE VISIT PROTOCOL**

### **Overview**

NBRC conducts programmatic reviews relevant to the performance and administration of its grantees. This process allows input from NBRC grantees to both improve communications and enhance programming efforts. This programmatic review will be conducted through a variety of techniques, including routine communications with grantees, desk reviews to determine project status, grant activities and programmatic support, virtual meetings, site review and when appropriate, in-person meetings.

### **Purpose**

NBRC's programmatic review is designed to accomplish the following objectives:

- Demonstrate the effectiveness of the funding
- Provide an opportunity for NBRC to highlight projects
- Programmatic support
- Grant compliance
- Timely and successful project completion

### **How will it work?**

NBRC will randomly select a sample of projects and determine how the review will be conducted either via phone, virtual meeting or as a site visit\*, and convey this information to the grantee. NBRC will work with the grantee to establish a convenient meeting date and time. NBRC retains the right to arrive on site unannounced, this includes but is not limited to unobtrusive observation and/or unplanned site inspection. Unscheduled visits will typically be in relation to construction projects/sites; sensitivity of the project and/or site will be taken into consideration.

If the review requires follow-up, NBRC staff will work with the grantee to complete those activities. If those activities require additional technical assistance or a project re-scope, NBRC staff will coordinate efforts to provide needed resources with our local, regional, and State partners.

For more information on NBRC's programmatic review process please contact Andrea Smith, Director of Programs and Partnerships. [asmith@nbrc.gov](mailto:asmith@nbrc.gov).

***\*In-person site visits will only occur when necessary and appropriate.***

***\*\*If you or your organization would like to have an NBRC staff member visit your site for a groundbreaking, highlight your project or have technical questions that require in-person visitation, please contact us via email: [admin@nbrc.gov](mailto:admin@nbrc.gov)***

## APPENDIX D: GLOSSARY OF TERMS

**Administrative Requirements:** The general practices that are common to the administration of grants, such as financial accountability, reporting, equipment management, and retention of records.

**Allowable Cost:** A cost incurred by a recipient that is: (1) necessary and reasonable for the performance of the award; (2) allocable; (3) in conformance with any limitations or exclusions set forth in the Federal cost principles applicable to the organization incurring the cost as to the type or amount of cost; (4) consistent with regulations, policies, and procedures of the recipient that are applied uniformly to both federally supported and other activities of the organization; (5) accorded consistent treatment as a direct or indirect cost; (6) determined in accordance with generally accepted accounting principles; (7) not included as a cost in any other federally supported award (unless specifically authorized by statute); (8) be adequately documented

**Approved Budget:** The financial expenditure plan for a grant-supported project, program, or activity, including revisions approved by the NBRC and permissible revisions made by the recipient. The approved budget (SF424cbw, SF424A-D) consists of Federal (grant) funds. An approved budget is a contractual obligation that can only be changed by NBRC in writing through a Grant Agreement Amendment.

**Build America Buy America Act (BABAA):** Enacted as part of the Infrastructure Investment and Jobs Act (IIJA) on November 15, 2021, established a domestic content procurement preference for all Federal financial assistance obligated for infrastructure projects. The domestic content procurement preference requires that all iron, steel, manufactured products, and construction materials used in covered infrastructure projects are produced in the USA.

The U.S. Department of Commerce is working with the Made in America Office (MIAO) to coordinate compliance with these procurement requirements. Visit the Made in America Office [website](#) or [NBRC's website](#) for continued BABAA guidance.

**Closeout:** The process by which NBRC determines whether all applicable administrative actions and all work required under the award have been completed by the recipient and the awarding office.

**Cooperative Agreement:** A financial assistance support mechanism used when there is substantial federal programmatic involvement. Substantial involvement means that NBRC program staff will collaborate or participate in project or program activities as specified in the notice of award.

**Descoping:** Descoping may occur during the amendment process and means the original objectives and/or intended outcomes of a project will no longer be occurring. This may be due to, but not limited to, a reduced award, cost overruns that limit the scope and/or goals of the project, or a change in intended match/cost share that leaves the project with limited resources to complete the project as originally intended.

**Direct Costs:** Costs that can be identified specifically with a particular project, an instructional activity, or any other institutional activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy.

**Entity Identification Number (EIN):** A three-part coding scheme of 12 characters used to identify organizations and individuals. The first character identifies the recipient as an organization or an individual. The next 9 characters are the Internal Revenue Service tax number identification (TIN) for organizations or the social security number (SSN) for individuals. The last 2 characters are a suffix to provide distinction between organizational entities that are assigned a single EIN and those that have more than one EIN. The entities could be subsidiaries, divisions, branches, subdivisions, or other organizational groupings of a major organizational entity.

**Equipment:** An article of tangible nonexpendable personal property that has a useful life of more than 1 year and an acquisition cost of \$10,000 or more per unit or the capitalization threshold established by the recipient, whichever is less.

**Federal Funds Authorized:** The total amount of Federal funds obligated by the NBRC for use by the recipient. This is also known as an obligation of federal funds.

**Federal Share:** The amount generally expressed as a percentage of total project costs, of financial, property, and other direct assistance provided by the NBRC.

**Funding Opportunity Announcement:** NBRC's formally issued announcement of the availability of funding through its website and outreach efforts.

**Indirect Costs:** These costs also are known as “facilities and administrative costs.” An indirect cost rate is the ratio between the total indirect expenses and some direct cost base. There is no universal rule for classifying certain costs as either direct or indirect under every accounting system. A cost may be direct with respect to some specific service or function, but indirect with respect to the Federal award or other final cost objective. Therefore, it is essential that each item of cost incurred for the same purpose be treated consistently in like circumstances either as a direct or an indirect (F&A) cost to avoid possible double charging of Federal awards. Guidelines for determining direct and indirect costs charged to Federal awards are provided in 2 CFR § 200.413 and 2 CFR § 200.414.

NBRC allows a grantee to utilize the de minimis rate of 15% of modified total direct costs (MTDC) unless the entity has or is negotiating a negotiated indirect cost rate from a federal cognizant agency and documentation of same was provided at time of application for federal financial assistance. If applicable, the negotiated indirect cost rate will be noted in the project’s grant agreement. Indicate your Negotiated Indirect Cost Rate (if any) and calculate the indirect costs in accordance with the terms of your approved indirect cost rate and enter the resulting amount in the project budget (SF424cbw).

Within the SF424cbw the indirect costs of the project must be identified. Documentation of indirect cost rates must be provided at time of reimbursement whether the grantee is seeking reimbursement of NBRC funds for those costs or utilizing them to meet the match/cost share requirement of the NBRC award. When a grantee is documenting indirect costs within a reimbursement request, a Certification of Indirect (F&A) Costs, executed by the project’s Authorized Official, must accompany the SF270 (request for reimbursement) during a desk review.

**Made in America:** Made in America policies are designed to increase reliance on domestic supply chains and ultimately reduce the need to spend taxpayer dollars on foreign-made goods. The Made in America Office (MIAO) will ensure that any waivers from Made in America laws are applied clearly, consistently, and transparently across federal agencies. The MIAO will analyze the information it gathers from waivers to support U.S. manufacturing and more resilient supply chains. By centralizing information on past and pending waivers, we aim to maximize opportunities for U.S. producers to supply goods and services to the federal government.

Additional guidance and resources can be found on the Office of Management and Budget’s Made-In-America website.

**Match or Cost Share:** The value of third-party in-kind contributions and the portion of the costs of a federally assisted project or program not borne by NBRC. Costs used to satisfy matching or cost-sharing requirements are subject to the same policies governing allowability as other costs under the approved budget.

**Non Federal Share:** The portion of allowable project costs not borne by the NBRC and/or another federal funder.

**Obligations:** A definite commitment which creates a legal liability of the Government for the payment of appropriated for goods and services ordered or received.

**Outlays or Expenditures:** The charges made to the federally sponsored project or program.

**Prior approval:** Means the written approval obtained in advance by an authorized official of a federal agency or pass-through entity of certain costs or programmatic decisions.

**Program Income:** Gross income earned by a recipient that is directly generated by the grant-supported project, program, or activity or earned as a result of the award.

**Project Period:** The total time for which support of a project has been programmatically approved. The total period of performance comprises the initial competitive segment, any subsequent competitive segments resulting from a competing continuation award, and any non-competing extensions.

**Real Property:** Land, including land improvements, structures, and appurtenances, but not movable machinery and equipment.

**Reasonable Cost:** A cost whose nature or amount does not exceed that which would be incurred by a prudent person under the circumstances prevailing when the decision was made to incur the cost.

**Recipient:** The organization or individual that receives a grant or cooperative agreement award from NBRC and is responsible and accountable for the use of the funds provided and for the performance of the grant-supported project or activity. The recipient is the entire legal entity even if a particular component is designated in the Grant Agreement. The term includes "grantee."

**Reimbursement Rate:** The maximum percentage of eligible project costs that may be reimbursed by NBRC based on the project's location. This rate is provided within the grant agreement executed between NBRC and the grantee.

**Significant Rebudgeting:** A threshold that is reached when expenditures in a single direct cost budget category deviate (increase or decrease) from the approved budget amount for that budget category for that budget period by a specified amount. Significant rebudgeting is one indicator of change in scope.

**Subaward:** Financial assistance in the form of money or property in lieu of money provided under an award by a recipient to an eligible subrecipient (or by an eligible subrecipient to a lower tier subrecipient). The term includes financial assistance when provided by any legal agreement, even if the agreement is called a contract, but does not include either procurement of goods or services or, for purposes of this policy statement, any form of assistance other than grants and cooperative agreements. The term includes consortium agreements.

**Subrecipient:** An entity that receives a subaward from a recipient or another subrecipient under an award of financial assistance and is accountable to the recipient or other subrecipient for the use of the Federal funds provided by the subaward. The NBRC grant recipient must prepare a subaward agreement to govern the programmatic and administrative activities of the subrecipient. The subaward agreement must contain the data elements identified in 2 CFR 200.332(a) and incorporate applicable provisions of agreement including those identified in the applicable Statement of Assurances SF424B or SF424D. The recipient shall carry out mandatory oversight and enforcement actions as outlined in 2 CFR 200.332(d) and (f) and may carry out discretionary oversight actions as outlined in 2 CFR 200.332(e). If your project includes a subaward component, please contact NBRC staff prior to making such awards.

**Supplies:** Personal property other than equipment, intangible property, and debt instruments. The category of “supplies” includes items that could be considered equipment, but do not meet the threshold definition.

**Terms and Conditions:** All legal requirements imposed on a grant by the NBRC, whether based on statute, regulation, policy, or other document referenced. In addition to general terms and conditions, the grant agreement may include other conditions that are considered necessary to attain the award’s objectives, facilitate post-award administration, conserve grant funds, or otherwise protect the federal government’s interests.

**Unallowable Cost:** A cost specified by law or regulation, federal cost principles, or term and condition of award that may not be reimbursed under a grant and may not be counted as match.

**Unique Entity Identifier:** The UEI is a 12-character alphanumeric ID issued by the System for Award Management (SAM) to identify businesses and other entities that do business with the federal government. The UEI replaced the DUNS number as the authorized identifier for the federal government. An NBRC grantee must have a UEI number on file and have banking enabled through sam.gov to be issued an initial or amended grant agreement.