

Chapter 2

Project Management



Project Lifespan

- **All 2023 Biennium MCEP projects that have NOT met start up by September 1, 2022 will be reviewed by the Legislature to determine if the grant should be withdrawn**
- **All 2023 Biennium MCEP projects must have construction costs incurred by June 30, 2025**



Project Amendment

- **Scope of Work**
- **Extensions**
 - Require Commerce approval and justifications and contract process



Budget Modification

- o **Modification requests less than \$5,000**
- o **Modification requests over \$5,000**
require Commerce approval in writing
***prior* to modifying budget and request**
for funds submission
- o **All modifications need to be noted on**
every Uniform Status of Funds &
discussed with MCEP staff



Eligible Expenses

- **Construction activities directly related to scope of work**
- **Professional services directly related to scope of work**
- **Repayment of directly related interim financing**
- **Legal cost, bond counsel**
- **Grant administration costs**



Ineligible Expenses

- **Operation and maintenance**
- **Furnishings and fixture purchases that are not dedicated or permanent to facility**
- **Costs of refinance, servicing or interest of current debt**
- **Costs incurred prior to date listed in Award letter**
- **Privately owned service lines**
- **Any project cost incurred if a contract has not been executed with Commerce**

Matching Funds

- **Cash Match**
 - Local general funds or cash
 - Proceeds from bond sales
 - Entitlement or formula federal and state funds
 - Loan or grant funds from another state or federal program
- **Previous Cash Expended**
- **In-Kind Match**
 - Value of land provided by grantee
 - Value of labor by grantee employees
 - Value of machinery or materials used for construction of project

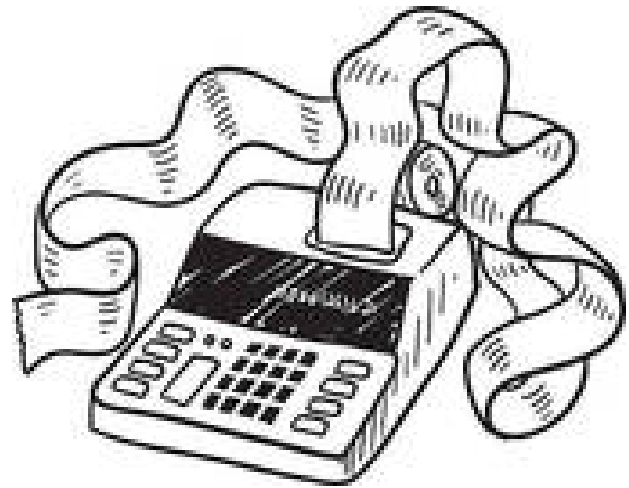
Requests for Reimbursement

- **Request for Reimbursement Form**
- **Invoices**
- **Progress Reports**
- **Uniform Status Funds**
- **Invoice Tracking Spreadsheet**
- **Lump sum contracts not sufficient**
 - **Cost plus contracts not allowable**
 - **Multipliers not allowable**



Accounting, Auditing

- **Generally Accepted Accounting Principals (GAAP)**
- **2 -7-503 MCA**
- **20-9-213 MCA**
- **Tribal governments**
 - OMB Circular A-133



Records Retention

- **Maintain all records of MCEP funded activity**
- **Organized files**
- **Retain for 5 years at local government's offices after grant closeout**
 - Or, conclusion of any litigation or claims
- **Access to records upon request**



Ethics, Conduct and Conflicts

- **Read all applicable statutes; some waivers, exemptions apply**
- **Each individual responsible for compliance with laws**



Procurement

- **Procurement is GRANTEE'S responsibility**
- **Must follow applicable statutes**
 - MCA Title 7, Chapter 5, Parts 23, 43
 - Local requirements
- **Free and open competition**
- **May not divide or sequence activities to circumvent procurement methods**
- **Must send documentation of procurement to Commerce**
- **Must send executed agreements to Commerce**

Starting Construction

- **Review of Bids and Specifications**
- **Debarment**
- **Pre-construction conference**
- **Executed documents**



Public Notice and Participation

- **Progress reports**
 - Council or commission meetings
- **Project signage**
- **Press releases**
 - Ground breaking, ribbon cuttings, tours
- **Newsletters, websites, regular outreach**
- **Complaints about projects happen!**
 - Who will manage and how it will be addressed
 - Keep written records
 - Resolve complaint quickly



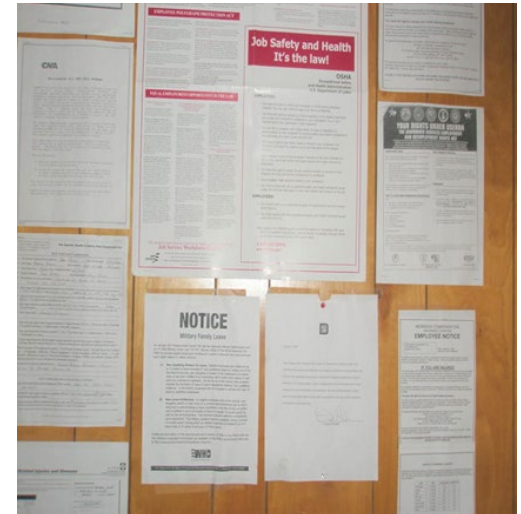
Non-Discrimination

Full compliance with:

- **Montana Human Rights Act**
- **Civil Rights Act of 1964**
- **Age Discrimination Act 1975**
- **Americans with Disabilities Act 1990**
- **Section 504 of the Rehabilitation Act of 1973**
 - All contractors and subcontractors must comply

Prevailing Wages

- **Montana's Prevailing Wage Act**
 - 18-2-401, et seq, MCA
 - All contracts exceeding \$25,000
 - Grantees should be prepared to document appropriate payment
- **Federal Davis Bacon Wages may supersede**



Project Monitoring

- **Ongoing monitoring**
 - Regular communication
 - Photo submission
 - Correspondence
- **On-Site monitoring**
 - Staff will visit the project/grantee offices
 - Review key project requirements
 - Discuss any issues and resolve any monitoring concerns



Purpose of Monitoring

- **Provide technical assistance**
- **Determine whether the grantee is:**
 - Complying with state law and program requirements
 - Carrying out project activities as set forth in contract scope of work
 - Charging eligible costs incurred
 - Properly using and accounting for funds
- **Original and complete documentation must be kept in the grantee's local government or district offices**

Project Closeout

- **Submit:**

- Certificate of Substantial Completion
- Project Completion Report (*within 90 days*)

- Copy of the long-term O&M manual
- Summary of citizen comments/complaints
- Statement of Costs
- Certification of Grantee
- Proposed and actual accomplishments

Exhibit 2-G Project Completion Report

TSEP recipients must complete the Final Project Completion Report, to describe the accomplishments of the project as described in the TSEP contract signed between the grantee and the Department of Commerce. All certifications must be signed by the TSEP recipient's Chief Elected Official or Executive Officer.

The Final Completion Report consists of the following components:

- ☐ 1. Final Project Performance Report
 - ☐ **Proposed Accomplishments:** Describe the accomplishments in quantifiable terms if applicable (e.g. approximately 3,100 feet of water pipe installed and /or 150 people in 45 households served). Also describe the accomplishments, which are not easily quantifiable (e.g. achieved compliance with State water quality standards or eliminated serious threats to public health.)
 - ☐ **Actual Accomplishments:** Provide an explanation for any differences between the original proposed accomplishments and the final accomplishments.
 - ☐ **Open-Ended Action Items:** Describe any liens from contractors or suppliers, open-ended action items pertaining to enforcement of applicable prevailing wage or other labor requirements or other third-party claims against the project which will require the TSEP recipient to pay for funds or obligated damages.
 - ☐ **Citizen Summary:** Provide a summary of any citizen comments or complaints regarding the TSEP project received by the local governing body or the local TSEP project manager. The summary must include the recipient's assessment of the citizen comments and a description of any action taken in response to the comment or complaint.
- ☐ 2. **Statement of Costs:** TSEP Funds and Non TSEP Funds (Include a Final Uniform Status of funds spreadsheet identifying all expenditures in the project)
- ☐ 3. Certification of Grantee
- ☐ Attachments:
 - ☐ **Certificates:** A copy of the project engineer's Certificate of Substantial Completion with the attached punch list, or final inspection report, or letter giving final acceptance of the completed project.
 - ☐ **Operation & Maintenance:** Except for bridge projects, a copy of the long-term operations and maintenance plan. At a minimum, include the cover page and index of the plan.

Montana Department of Commerce
Treasure State Endowment Program

Project Administration Manual



Closeout, continued

- o **Final Request For Reimbursement**
- o Two percent retainage or remaining balance released after approval of the closeout documentation & final request for reimbursement has been received
- o **Final Closeout Letter**
 - o Retain all project records at local gov't offices five years after closeout