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CERTIFIED LOCAL GOVERNMENTS

The Certified Local Government (CLG) program is designed to provide an opportunity for local governments to become more directly involved in identifying, evaluating, protecting, promoting and enhancing the educational and economic value of local properties of historic, architectural and archeological significance. Created by the 1980 amendments to the National Historic Preservation Act, the CLG program requires that each State Historic Preservation Office (SHPO) designate at least 10 percent of its annual Historic Preservation Fund allocation from the Department of the Interior to local governments that are Certified Local Governments. In Vermont, the SHPO is the Division for Historic Preservation, in the Department of Housing and Community Affairs, Agency of Commerce and Community Development.

A local government wishing to become a CLG must fulfill certain requirements indicating its commitment to local preservation. One requirement is the establishment of an historic preservation review commission. The local government appoints to the commission professional and lay members with varied expertise and interest related to historic preservation. As the advisory body to the legislative body and planning commission (where a planning commission exists), the historic preservation commission becomes the coordinating body for community preservation activities. It prepares reports on National Register eligible properties, sponsors public information programs on historic preservation, and prepares applications for matching grants from the CLG share of the state's annual Historic Preservation Fund, if the community chooses to apply for grant funds. The SHPO provides training for the CLG commission on their CLG responsibilities and preservation topics in general.

The matching grants available to municipalities that have become Certified Local Governments can be used to fund community preservation activities such as survey, National Register, preservation planning and educational projects. Grants are also available for architectural plans and specifications, engineering reports, feasibility and streetscape studies, and in some years, for "bricks and mortar" work on National Register properties.

The "Regulations for the Vermont Certified Local Government Program" describe the program in detail. For further information call, write or email:

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Vermont Division for Historic Preservation
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One National Life Drive, Floor 2
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PREFACE

Please read this entire handbook carefully before completing the grant application. Submission of an application for a grant constitutes a declaration that the applicant is familiar with the terms of the grant program and the procedures set forth in this handbook. In addition, Certified Local Government grantees must adhere to the "Regulations for the Vermont Certified Local Government Program". Please especially review Chapter 7 of the Regulations. The Regulations are appended at the end of this booklet.

If your project is selected, you will use this handbook during the course of the project.

This handbook contains the most recent requirements and policies as set forth by the National Park Service, Department of the Interior, the federal grantor agency. It is complete as of the date of printing, but because requirements and policies change, the SHPO does not accept responsibility for any such changes which are not incorporated into this handbook. The SHPO will notify grant applicants and sub-grantees of any changes which may affect their project.

PROGRAM CYCLE

October	Public notice of Certified Local Government grant program. CLGs notified of availability of funds and application deadline. Deadline for submission of CLG grant applications to the SHPO will be determined when federal appropriations are approved for that Fiscal Year.
January	Review of grant applications by the SHPO and the Vermont Advisory Council on Historic Preservation. Projects selected and grants awarded. Notification to each grant applicant of results of the grant application review. Subsequent discussions with all applicants whose projects have been chosen to review program requirements and refine scope of work, budget and schedule for Assistance Agreement.
February/March	Estimated date for projects to begin.
July 15th December 31st	First progress report due if requesting initial payment. All projects must be completed by this date or as defined in Assistance Agreement. All products, financial documentation and completion report due. Please note that the grant cycle is dependent upon predictability in the federal appropriation process. Delays in the appropriation process consequently can shift the program cycle.

ELIGIBLE PROJECTS

CLGs may apply for survey, National Register of Historic Places nomination, preservation planning, information and education, pre-development and development projects. A separate application form is typically required for each project. The appropriate Secretary of the Interior's Standards for survey, National Register, and planning apply to all grant projects. Copies of the standards are available upon request for most pre-development and development projects. The Secretary of the Interior's Standards for Rehabilitation will be appropriate. They are included as an Appendix B in this manual. All grant projects must include a public information component about the purpose of the project and the value of historic preservation. An explanation of the priorities for funding projects is contained in the section **GRANT SELECTION CRITERIA**.

Priority I Projects

SURVEY projects must conform to the Vermont Historic Sites and Structures Survey or Vermont Archeological Inventory, as appropriate. The survey identifies those buildings, structures, sites, complexes and districts which are significant in Vermont's history and pre-history. Depending upon the extent of survey required in the community, it may be advisable to phase the survey over more than one year. For assistance in designing a survey project, the applicant should contact the SHPO in advance of preparing the grant application. Survey projects are eligible for 60% CLG grant funding.

NATIONAL REGISTER projects, to be most cost-effective, should be for historic districts and/or multiple property nominations identified by the CLG commission, along with the SHPO, as being eligible for the National Register of Historic Places. Historic districts are a group of properties, related historically or architecturally, and physically grouped. Multiple property listings are those properties which are linked by a common property type or association such as historic agricultural properties (farms), bridges, mills, etc. Nominations for individual properties are also eligible. The National Register manager at the SHPO can assist in designing these projects, which are eligible for 60% CLG funding.

PRESERVATION PLANNING must be in cooperation with the Vermont Historic Preservation Plan, the statewide preservation planning process. The Plan was published in late 1997. As part of this process, the SHPO has described the important themes in Vermont's history and pre-history, the historic resources associated with them and goals for their preservation. Through the survey and National Register process, and applying the information from the Plan's themes, a community can identify and evaluate its significant properties and establish goals and priorities for their continued use and protection. This information should be integrated into the community's land planning documents and conservation efforts. The SHPO can assist any applicant with a planning project. These projects are eligible for 60% CLG grant funding.

INFORMATION AND EDUCATION projects inform the general public about the value of historic preservation. Every CLG grant project must contain a public information and education component. But a CLG may apply for a grant to do **ONLY** a public information and education project. This is an excellent way to publicize the workings of the CLG commission. The CLG can sponsor programs, brochures and a newspaper series. For instance, special events in May for "National Historic Preservation Week" can be eligible for funding. Training CLG commission members and staff of the municipality working with the commission are eligible for funding. Contact the SHPO for clarification on allowable costs. These projects are eligible for 60% CLG grant funding.

PRE-DEVELOPMENT projects plan for the work necessary to carry out construction work. Architectural plans and specifications, historic structures reports, engineering studies, archeological testing and feasibility studies are types of pre-development work. (A historic structures report analyzes the property, establishes preservation priorities and a schedule to accomplish them).

To be eligible to apply for a CLG grant for a pre-development project, the project must be for a property - or properties - listed in the National Register of Historic Places or determined eligible by the Vermont Advisory Council on Historic Preservation, and will be nominated before or as part of the pre-development project. The project work must provide information necessary to carry out a development project that will meet "The Secretary's Standards for the Treatment of Historic Properties." (The Standards follow the next section on "Development Projects"). The level of information produced by the proposed pre-development project should be determined by the needs of the property. Nevertheless, the products produced by the pre-development grant project must clearly be consistent with the Standards.

Pre-development projects will be funded on a 50% matching basis, or up to 60% if enough CLG funds are available.

Priority II Projects

DEVELOPMENT projects are actual "bricks and mortar" construction work. To be eligible to apply for a CLG grant for a development project:

- (1) The project must be for a property that is listed in the National Register.
- (2) The property must be owned by the municipality.
- (3) The property must be open to the public.
- (4) The property must be accessible to the handicapped.
- (5) The project must conform to local and regional plans.
- (6) The project work must be for stabilization or restoration work which contributes to preserving the historic qualities and architectural features of the property which make it eligible for the National Register. New additions, code improvements, utility systems work and most routine maintenance are ineligible for funding.
- (7) The project work must meet "The Secretary of the Interior's Standards for the Treatment of Historic Properties." (See the following section on the Standards).
- (8) Most development project work will require architectural plans and specifications. They are not required before the CLG submits the grant application. However, if plans are available they should be submitted with the application to assist the SHPO and Council in reviewing the proposed project.

The cost of architectural plans and specifications and on-site architectural supervision is an allowable cost for a development grant project and should be included in the budget on the application. However, costs incurred by the CLG prior to the award of the grant cannot be included in the grant project budget.

- (9) The CLG, in its Assistance Agreement with the SHPO for a development project grant, will agree to "...assume the cost of continued maintenance and repair of the property so as to preserve the architectural, historical, or archeological integrity of the property for 5 years in order to protect those qualities that made the property eligible for listing in the National Register of Historic Places. Nothing in this agreement shall prohibit the subgrantee from seeking financial assistance from any source (including Historic Preservation Fund development grants) available to it." Development projects will be funded on a 50% matching basis, or up to 60% if CLG funds are available.

ABOUT "THE SECRETARY'S STANDARDS"

The historic materials in buildings and structures listed on the National Register of Historic Places, like all materials, deteriorate over time; therefore, these properties require periodic work to preserve and protect their historic integrity. Properties that have not received adequate maintenance, and properties that have been unsympathetically altered or added to, require considerably more assistance to rehabilitate or restore them so that their historic and architectural integrity is preserved.

"The Secretary of the Interior's Standards for the Treatment of Historic Properties" apply to all work undertaken on historic properties listed in the National Register of Historic Places. There are 4 Treatments, each with its own Standards. Choosing which treatment is appropriate for a particular property depends on the property's historical significance, physical condition, proposed use, and intended interpretation. The 2 Treatments that are generally used the most often, and appropriate for most CLG projects are Preservation and Rehabilitation.

Preservation focuses on the maintenance and repair of existing historic materials and retention of a property's form as it has evolved over time. Rehabilitation acknowledges the need to alter or add to a historic property to meet continuing or changing uses while retaining the property's historic character. Restoration is undertaken to depict a property at a particular period of time in its history, while removing evidence of other periods. Reconstruction re-creates vanished or non-surviving portions of a property for interpretive purposes.

The Standards for Rehabilitation are included as Appendix C. Guidelines for interpreting rehabilitation, as well as standards and guidelines for the other four treatments are available upon request from the SHPO.

GROUND DISTURBANCE AT DEVELOPMENT PROJECTS

Archeological resources that lie in the ground surrounding a historic building may yield important information about the history of the building or about the prehistoric use of the land. For example, an old well will often contain items that indicate the use of the building or the economic status of the occupants. A prehistoric Native American site indicating how past people lived in the area may lie adjacent to a town hall. Any ground disturbing project has the potential for disturbing or destroying archeological resources. Foundation, drainage and porch repairs or replacement are all examples of the kinds of projects that can impact archeological resources.

The SHPO will review all grant applications to determine if a proposal in a particular project location has the potential for impacting historic or prehistoric archeological resources. In many cases, the existence of an archeological site is not known but it can be reasonably predicted to exist. If in its review, the SHPO is concerned about the possibility of disturbance of archeological resources, the SHPO will work with the CLG to find a cost-efficient solution that both preserves the archeological resource and allows the project to proceed. The SHPO may test a site to determine the existence of archeological resources. The SHPO will provide this service at no cost to the CLG. In some instances the SHPO may determine that the CLG will need to hire a qualified consultant for an archeological assessment. This cost can be included in the development project budget and is eligible for reimbursement along with other approved project costs. Many times an archeological assessment reveals interesting information about the property that can be used for public education purposes.

MATCHING SHARE

Matching share refers to the applicant's contribution toward the total cost of the project. Cash contributions refer to the actual funds committed to the project by the applicant. These matching funds can be state or local funds, grants or fund-raising proceeds from private organizations, foundations, or individuals. **Federal funds cannot be used as matching share with the exception of Community Development Block Grant (CDBG) money.**

Donated services and equipment are allowable matching share when they directly benefit the project's objectives and are specifically identifiable. In other words, they are allowable only if the applicant would otherwise have to purchase them to accomplish the project. Donated services and equipment must be identifiable in project records as not donated by the federal government, not purchased with federal funds, and not included as donations comprising all or part of the share under any other federally assisted project.

All personnel expenses must be supported by time records that are signed by both the employee and the employee's supervisor. Such records must show the actual hours worked - by date - and the specific duties performed. Donated equipment and office space are often too difficult to document adequately to use as matching share. Equipment or office space donated to the project must not exceed the fair market rental value. Grant recipients must submit documentation of their basis for determining valuation of donated equipment and space, including proof of fair market value, with the grant application. Grant recipients must also maintain records to support their reimbursement claims as to the actual use of donated equipment. Please refer to the section on **Financial Documentation** further in this manual.

Volunteers can contribute to the success of a project if they are organized and supervised. Just as with donated services, volunteer services are allowable as matching share if the grantee would otherwise have to purchase the services to accomplish the project. The hourly rates must be consistent with those paid for similar work in the local labor market. In most cases, volunteers performing work for which they are not trained or experienced must use the minimum wage rate. Volunteer hours must be documented like donated services. A sample form for documenting volunteer hours - "**Record of Volunteered Services**" - is included in Appendix A. Volunteer services usually are not part of pre-development or development projects. Please consult with the SHPO if planning to use volunteer services for a CLG grant project.

ALLOWABILITY OF COSTS

All costs must directly relate to the accomplishment of the approved project. In general, the types of costs which are allowable include: accounting/auditing, advertising for consultants, communications such as telephone and postage, project consultants' fees, materials and supplies consumed by the project, mileage, personnel costs (including wages and fringe benefits), printing and reproduction. Any other costs are unallowable, unless specifically approved in writing by the SHPO. The budget in the Assistance Agreement for the grant will list the approved costs. **All project costs must be incurred through proper Procurement Requirements described further in this manual).**

PAYMENT PROCEDURES

Payments to the grant recipient will be made according to the payment schedule in the Assistance Agreement. In general, grant payments are made on a reimbursement basis only. The final payment, which is generally no less than 25% of the grant, is not made until the Final Project Report is approved by the SHPO. The SHPO will provide the grant recipient with instructions for documenting project costs, which must meet federal standards and pass audit.

Single Audit Act of 1984

CLG grantees must comply with the Single Audit Act of 1984 and the requirements of Office of Management and Budget (OMB) Circular A-128 for State or Local Governments. The CLG must make certain that a copy of its most recent audit is sent to the SHPO. It is generally a required attachment to the CLG grant application.

GRANT SELECTION CRITERIA

The basic grant award criteria are contained in Section 703 of the "Regulations for the Vermont Certified Local Government Program." The criteria were developed to promote those activities which most directly preserve Vermont's buildings, structures, sites and districts of historic, architectural and archeological significance.

The application must also be consistent with the State Historic Preservation Plan as described in the section following immediately. The Advisory Council on Historic Preservation has developed separate **Selection Criteria** for reviewing application by Priority I and Priority II categories, described in the following pages.

Consistency with the State Historic Preservation Plan

As part of its statewide preservation planning process, the SHPO has determined that public information and participation is the key to successful local preservation activities. The logical progression for a community to identify, evaluate and protect its resources is to survey its historic resources, identify those eligible for the National Register of Historic Places and prioritize their nomination to the National Register, and develop a preservation plan and/or incorporate planning for the resources into the municipal plan. The preservation plan may include protection strategies such as local historic district or design control ordinances. Public information and education must be a part of any CLG grant project.

For communities who's Historic Sites and Structures Survey is incomplete, the first step is to conduct a survey to provide the municipality with an inventory of its historic resources. The SHPO will assist the CLG in determining the level of survey needed if it is not complete. In some instances, the SHPO will recommend phasing a survey over two or more seasons if resources are not available to complete it in one season.

Communities with completed surveys should, in general, nominate properties to the National Register of Historic Places which have been identified through the survey process, as being potentially eligible for the Register. The CLG commission assists in identifying National Register-eligible properties. Due to the limitation of funds available, nominations of historic districts or multiple properties are encouraged over those for individual properties.

Once the survey is complete and districts and/or multiple properties (those related by a common theme or property type) have been identified as eligible for nomination to the National Register, a community should proceed to nominate those properties and develop a preservation plan. The plan should address the protection of its properties of historic, architectural and archeological significance. The Vermont Historic Preservation Plan, the statewide preservation planning process, will assist the community in planning for its own historic resources.

Occasionally, the progression from survey to National Register, to preservation plan may not be the most practical way for a community to identify, evaluate and protect its historic resources. The SHPO recognizes that certain factors such as an immediate threat to an area within the community, or to a certain type of historic resource, may determine that a preservation plan or National Register nomination is advisable even if the survey has not been completed. Nonetheless, the community will be asked to describe its reasons for applying for funding for an activity that is not in the recommended sequence, and demonstrate that the project will significantly contribute toward the community's ability to identify, evaluate and protect its historic and archeological resources.

The SHPO acknowledges that comprehensive survey, evaluation, registration and protection of all categories of historic resources-standing structures and archeological --are not realistic in the early stages of a community being a CLG. Archeological resources require special planning, consideration and education efforts. The SHPO is actively working to develop realistic policies and tools for assisting communities in identifying and preserving its archeological resources. As new information becomes available, the SHPO will present it to the CLG. The SHPO encourages CLGs to begin developing long-term plans to inventory and protect archeological sites, both prehistoric and historic. Eligible sites should be nominated to the National Register. The CLG should adopt appropriate preservation methods such as fee-simple purchase, easements, and acquisition of development rights, and integrate them into other land planning and conservation efforts.

In any activity of the CLG commission, public information and education is an essential part. By providing information on historic preservation to the public, the CLG can stimulate an appreciation of the importance of local heritage. This can be accomplished through public meetings, walking tours, fairs, a series of newspaper articles, printed materials assembled and distributed by the commission and visual presentations such as slide shows and videos. The SHPO can provide some technical assistance in planning for public awareness programs. The CLG may apply for grant funds for public information and education projects alone if that is the community's preservation priority.

Administrative Capabilities

The SHPO acknowledges that federal reporting requirements passed on to grant recipients are often burdensome. Nonetheless, they are necessary for receipt of funds and the SHPO's continued eligibility for annual Historic Preservation Fund appropriations.

Therefore, the qualifications and abilities of the applicant to meet federal and state fiscal and program management requirements will be considered. While it is not necessary for the CLG's project manager to have experience in administering federal grants, he or she should have demonstrated administrative capabilities and be assigned a reasonable amount of time to the project, through its completion and acceptance by the SHPO. The project manager must be available during regular business hours, though of course, not forty hours per week. The inability to manage a previous grant from the SHPO or unresolved audit questions may be justification for rejecting the application.

Grant Application Review and Selection Process

1. SHPO reviews annual goals and priorities established in the preservation planning process, and drafts funding priorities and selection criteria for grant program.
2. Vermont Advisory Council on Historic Preservation (VACHP) reviews priorities and selection criteria. (This step may be excluded if criteria does not change from previous grant cycle).
3. SHPO prepares grant application materials.
4. SHPO prepares and releases public notice of availability of grant funds to press, local governments with potential interest in the CLG program in the previous year, and all CLGs. All CLGs receive full application materials.
5. SHPO receives all applications
6. SHPO reviews all applications for allow ability and reasonableness of costs.
7. Applications are reviewed by the SHPO staff evaluation committee and are scored according to the selection criteria in the grant application materials. Budgets are reviewed for reasonability of costs.
8. Simultaneously, applications are reviewed individually by the VACHP. The VACHP may independently score the projects score after discussion at their meeting.
9. SHPO sends notice to all applicants informing them whether or not their project has been selected, and listing the selected projects and their grant awards.
10. SHPO reviews requirements with each CLG and drafts Assistance Agreement
11. SHPO completes Assistance Agreement, forwards it to grantee for official signature. Project begins.

Grant Selection Criteria Ranking System

Each application will be scored according to the following rating system. While it is the intent to distribute funds to the maximum number of CLGs possible, funds will not be awarded to projects which do not meet the program goals and administrative requirements of the CLG grant program. The rating system will also prioritize projects in the event that funds requested exceed the amount available. Every attempt will be made to award the amount of funds necessary to accomplish individual project goals.

Top priority in the selection of projects and award of grant funds will be given to the **Priority I** projects. If the Vermont Advisory Council on Historic Preservation is unable to award the available CLG funds to Priority I projects, it will next consider **Priority II** projects. A CLG may apply for more than one grant or for a grant in more than one Priority category, assuming that it has the matching share and administrative capabilities to complete more than one project should they be selected.

SELECTION CRITERIA for Priority I Projects

- _____ 1. Type of project (applicant will identify project as one of the following:
(9 points max.
this section)
- a. For a **SURVEY** project, there is no survey or the survey has not been completed.
 - b. For a **NATIONAL REGISTER** project, the degree to which the survey is complete, or resources are being surveyed through the National Register process.
 - c. For a **PRESERVATION PLANNING** project, the degree to which the survey is complete and eligible historic districts have been nominated to the National Register of Historic Places.
 - d. For an **INFORMATION AND EDUCATION** project, the degree to which the survey is complete, eligible historic districts have been nominated to the National Register of Historic Places, and a plan is in place for the protection of historic resources.
 - e. For a **PRE-DEVELOPMENT** project, the degree to which the survey is complete, eligible historic districts have been nominated to the National Register of Historic Places, and the project coordinates with or implements plans for the protection of historic resources.
- _____ 2. The project will have a significant and long lasting impact on historic resources. (5 points max.)
- _____ 3. The project scope, staffing, budget and schedule are sufficient to achieve the (5 points max.) projects goals and produce useful products.
- _____ 4. The project will have a beneficial impact on a designated downtown, pursuant to (2 points max.) section 2794 of the Downtown Development Act of 1998.
5. The project nonfederal share is:
- _____ a. 40% of total project cost.
(0 points)
- _____ b. 41-50% of total project cost.
(1 point)
- _____ c. Over 50 % of total project cost.
(2 points)

6. The project non-federal share is:

_____ a. 0-25% cash.
(0 points)

_____ b. 26-50% cash.
(1 point)

_____ c. Over 50% cash.

_____ TOTAL POINTS
(25 points)

SELECTION CRITERIA for Priority II Projects

For Development project:

Points

- | | |
|---------------|---|
| _____ | 1. The project will preserve the historic qualities and architectural features of the property that makes it eligible for the National Register of Historic Places. |
| 1 to 2 points | |
| _____ | 2. The project will contribute to promoting the best long-term use of the property. |
| 1 to 2 points | |
| _____ | 3. The project will contribute to promoting the long-term preservation of the property. |
| 1 to 2 points | |
| _____ | 4. The scope of work, budget and schedule are sufficient to achieve the project's goal and product tangible results. |
| 1 to 2 points | |
| _____ | 5. The applicant has financial and program management skills that will be available for the project. |
| 1 to 2 points | |
| _____ | 6. The applicant's matching share exceeds 40% of the total project cost. |
| 1 to 2 points | |
| _____ | 7. The project provides an opportunity to develop preservation solutions to common conservation problems. |
| 1 to 2 points | |
| _____ | TOTAL POINTS |

COMPLETING THE APPLICATION

The grant application is the basis for the decision-making process in allocating grant funds. Therefore, it is important that each question be answered completely and that the proposal is presented clearly. A separate grant application form for each of the two categories of projects will be provided along with this handbook. For the most part, the information requested on the application is self-explanatory. Please refer to the **Selection Criteria** for the appropriate category of project to aid in providing information that will be used to score the project. Only one project may be included on a single application, though applicants may apply for more than one project.

Because the source of the funds is federal, compliance with federal regulations, especially 43 CFR 12 (formerly Office of Management and Budget Circular A-102) and Office of Management and Budget Circulars A-87 and A-128 are required. The SHPO's approval of a grant application is subject to National Park Service approval. It is the SHPO's intent to make applicants aware of these conditions before they submit a grant application

Section 1. Please enter the full name of the municipality, and full address and daytime telephone numbers. The contact person should be the one knowledgeable about the application.

Section 2. Provide a brief name for the project.

Sections 3. through 7. In these sections the purpose and content of the project is described. It is important to be thorough and to pay close attention to the Selection Criteria when completing these sections. For Priority I projects from a municipality with a designated downtown, describe in Section 5 the impact the project will have on the designated downtown.

Section 8. Provide a project budget. This will be the total project cost, including all cash costs, donated and volunteer services. Fill in the applicable lines with appropriate amounts, rounded off to the nearest dollar. Include the rates for fringe benefits if personnel receive them.

Total the 3 sections of the personnel category and the support costs for the "**TOTAL PROJECT COST.**" Indicate the grant request and matching share. Priority I projects, per the Selection Criteria, score higher as matching share exceeds 40% and 50%. Priority II projects must commit to funding 50% of the total project cost on the application, though they may be amended up to 60%. Indicate the cash, donated personnel and volunteer services amounts. Priority I projects will score higher, per the Selection Criteria, with higher percentages of cash match.

Refer to the section on Project Completion Reports further in this manual for definitions of allowable costs and documentation requirements. Any project costs that cannot be documented at an acceptable level will not be reimbursed.

Sections 9 and 10. The person completing the application, Chief Elected Local Official, or designee, and the chair of the CLG commission must sign the application. The attachments are *Certifications Regarding Debarment, Suspension and Other Responsibility matters, Drug-Free Workplace Requirements and Lobbying* combined in one form. A Construction Program Assurance must also be signed as part of a development project application (Priority II project). The Chief Elected Local Official must sign these forms.

PROCUREMENT REQUIREMENTS

It is a federal regulation as stated in 43 CFR 12 that when public funds (this includes CLG grants) are involved in a project, all procurement or purchasing transactions, regardless of whether competitive proposals or sealed bids, and without regard to dollar value, should be conducted in a manner that provides open and free competition. All project costs, including the matching share, must meet procurement requirements. Procurement procedures shall not restrict or eliminate competition. Non-competitive practices between firms and organizational conflicts of interest are not allowable.

The procurement regulations described in this section must be strictly followed. Any procurement (purchase) of services or goods must be performed according to the following regulations. If the CLG or its subcontractor(s) do not hire, contract or purchase according to these regulations, no grant funds can be paid to the project. Documenting purchase procedures is one of the required activities of the Assistance Agreement.

Please read this entire section, particularly "Procurement Documentation"

Procurement must be made by one of the following methods:

- 1) small purchase procedures
- 2) competitive sealed bids (formal advertising)
- 3) competitive negotiation
- 4) noncompetitive proposal

In most instances, **grantees will use competitive negotiation and small purchase procedures.**

- (1) **Small Purchase Procedures** are those relatively simple and informal procurement methods that are sound and appropriate for a procurement of services, supplies or other property, costing in the aggregate not more than \$25,000. This method of procurement cannot be used for any procurement costing more than \$25,000. **If the procurement costs under \$25,000, prices or rate quotations shall be obtained from at least three qualified sources and the lowest priced source shall be chosen.**
- (2) **Competitive Sealed Bids** (formal advertising) are generally only used for construction projects. Sealed bids are publicly solicited, and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is lowest in price. Method of procurement is used for development projects.

a. In order for formal advertising to be feasible, appropriate conditions must be present, including, as a minimum, the following:

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

b. When formal advertising is used for procurement under a grant, the following requirements shall apply:

1. A sufficient time prior to the date set for opening of bids (20-30 calendar days), bids shall be solicited from an adequate number of known suppliers. In addition, invitations must be publicly advertised.
2. The invitation for bids, including specifications and pertinent attachments, shall clearly define the items or services needed in order for the bidders to properly respond to the invitation.
3. All bids shall be opened publicly at the time and place stated in the invitation for bids.
4. A firm-fixed-price contract award shall be made by written notice to that responsible bidder whose bid, conforming to the invitation for bids, is lowest. Where specified in the bidding documents, factors such as discounts, transportation costs and life cycle costs shall be considered in determining which bid is lowest.
5. Any or all bids may be rejected when there are sound documented business reasons in the best interest of the program.

(3) **Competitive Negotiation**, proposals are requested from a number of sources from a written Request for Proposal which is mailed to a field of candidates and after publicized, if the contract amount is expected to exceed \$25,000 or if it is the municipality's practice to publicize all RFP's or if the municipality believes it will elicit more favorable responses. Negotiations are normally conducted with more than one of the sources submitting offers, and either a fixed-price or cost-reimbursable type contract is awarded, as appropriate. Competitive negotiation may be used if conditions are not appropriate for the use of formal advertising. It is generally the method used to hire consultants for CLG grant projects. If competitive negotiation is used for procurement under a grant, the following requirements shall apply:

- a. Proposals shall be solicited from an adequate number of qualified sources to permit reasonable competition consistent with the nature and requirements of the procurement. The Request for Proposal may be publicized and reasonable requests by other sources to compete shall be honored to the maximum extent practicable. In general, 30 days are allowed for responses to the RFP.

- b. The Request for Proposal shall identify all significant evaluation factors, including price or cost where required and their relative importance.
- c. Award may be made to proposal which will be most advantageous to the procuring party, price and other factors-such as the capabilities, skill and technical knowledge required to complete the project-considered. The most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. Unsuccessful offerors should be notified promptly.

The SHPO will provide guidance to the grantee in preparing the Request for Proposal. At a minimum it must be reviewed and approved by the SHPO in advance of its publication.

- (4) **Noncompetitive Proposals** *must always be approved in advance by the SHPO*, which must request approval from the National Park Service. It is difficult to justify noncompetitive procurement using public funds and is rarely approved for this grant program. Noncompetitive procurement is solicitation of a proposal from only one source, or after solicitation from a number of sources, competition is determined inadequate. Noncompetitive proposals may be approved when the award of a contract is unfeasible under small purchase, competitive bidding (formal advertising) or competitive negotiation procedures. A contractor's past performance or association with the CLG on one of its projects, or the recitation of an administratively imposed deadline is insufficient reason to justify noncompetitive procurement.

CONTRACT PRICING

The cost-plus-a-percentage-of-cost and percentage-of-construction-cost method of contracting or purchasing shall not be used under any circumstances including costs connected with any contract modifications. The types of contracts which are allowable include cost reimbursement contracts, firm-fixed-price contracts, fixed-price incentive contracts, or cost-plus-a-fixed-fee contracts.

SELECTION PROCEDURES

Solicitation of offers, whether by competitive sealed bids or competitive negotiation, shall:

1. Incorporate a clear and accurate description of the technical requirements for the materials, product or service to be procured. Such description should not, in competitive procurement, contain features, which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product, or service to be procured and when necessary, shall set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use.

When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equal" description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offerors shall be clearly stated.

2. Clearly set forth all requirements which offerors must fulfill and all other factors to be used in evaluating bids or proposals, such as a deadline for completion of project work. Awards shall be made only to responsible contractors who possess the potential ability to perform successfully under the terms and conditions of a proposed procurement. Consideration shall be given to such matters as contractor integrity, record of past performance, and financial and technical resources. Unreasonable requirements in order for a firm to qualify to do business and unnecessary experience and bonding requirements shall not be allowed. The rate paid to consultants cannot exceed the maximum daily rate for a GS-18 position in the Federal Service. As of January 1990 this limit is \$60.00 per hour.

CONTRACT PROVISIONS

The following provisions must be included in contracts for project work:

1. Contracts other than small purchases shall contain provisions or conditions which will allow for administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanction and penalties as may be appropriate.

2. All contracts in excess of \$10,000 shall contain suitable provisions for termination by the sub-grantee, including the manner by which it will be effected and the basis for settlement. In addition, such contracts shall describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.

3. All contracts awarded in excess of \$10,000 shall contain a provision requiring compliance with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 C.F.R. Part 60).

4. Notice of awarding agency requirements and regulations pertaining to reporting.

5. Notice of National Park Service requirements and regulations pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under such contract, and of NPS requirements and regulations pertaining to copyrights and rights in data.
6. Access by the SHPO, the subgrantee, the National Park Service, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.
7. Retention of all required records for three years after grantees or subgrantees make final payments and all other pending matters are closed. If an audit, litigation, or other action involving the records is started before the end of the 3-year period, the records must be retained until all issues arising out of the action are resolved or until the end of the 3-year period, whichever is later.
8. Contracts shall recognize mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-165).
The National Historic Preservation Act does not require compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7). However, this does not exempt projects where other federal funds are involved and it is the CLG's responsibility to comply with the terms of the Davis-Bacon Act.

PROCUREMENT DOCUMENTATION

After any project contract is awarded, the following information must be sent to the SHPO to satisfy Federal audit procedures:

1. A copy of the Request for Proposal or solicitation for bids, whichever is appropriate (the SHPO must review and approve all RFP's in advance of their publication),
2. A description of the methods of publicizing the solicitations, including dates and places of publication and posting, and the list of consultants/suppliers to whom the RFP was directly sent.
3. Copies of the responses received, or a summary of the responses.
4. Method and justification of contractor selection.
5. Justification of the use of negotiation (if used),
6. Copy of the signed and dated contract(s).

ASSISTANCE AGREEMENT

The Assistance Agreement will be prepared and executed by the SHPO after the grant has been awarded and the terms of the Agreement discussed by the CLG coordinator and SHPO staff. This is essentially a contract between the CLG and the SHPO that provides for the work to be performed as specified in the Agreement, and that the CLG will abide by the stated requirements of the grant program. In return, the SHPO will make payments to the CLG in accordance with the payment provisions in the agreement. A sample of a typical Assistance Agreement for a project that is not a pre-development or development project is appended to this manual.

PROJECT PUBLICITY

The SHPO and the National Park Service, Department of the Interior must be credited in any newspaper, radio, television, or other media publicity and in any program or publication of the project being funded. In publications, film or video presentations funded with grant monies, the following must be included:

"The activity that is the subject of this (type of presentation) has been financed in part with federal funds from the National Park Service, Department of the Interior, through the Vermont Division for Historic Preservation. However, the contents and opinions do not necessarily reflect the views or policies of the Department of the Interior, nor does the mention of trade names or commercial products constitute endorsement or recommendation by the Department of the Interior."

Please note that only relevant portions of the required statement need to be applied and should be used as appropriate depending on the content of the publication. For example, if there are no commercial products then that part of the statement can be omitted.

In addition, the following statement must also be included:

"This program receives federal funds from the National Park Service. Regulations of the U.S. Department of the Interior strictly prohibit unlawful discrimination in federally assisted programs on the basis of race, color, national origin, age or handicap. Any person who believes he or she has been discriminated against in any program, activity, or facility operated by a recipient of federal assistance should write to: Director, Office of Equal Opportunity, National Park Service, 1849 C Street, NW, Washington, DC 20240."

PROGRESS REPORTS AND FINAL PROJECT REPORT

Progress reports and a final project report allow the SHPO to evaluate the project's progress, and to verify that expenses incurred in the project are allowable, necessary and reasonable. The Assistance Agreement specifies the due dates and report contents for each report. Reimbursement cannot be made until all required information has been submitted to the SHPO for review and approval. Reimbursement for the project will be expedited if the report is organized properly, and contains all of the necessary information.

All allowable project costs must be documented at a level acceptable to the SHPO and auditors who review the SHPO's subgrants. **Costs are eligible only if they appear in the Assistance Agreement budget.**

FINANCIAL DOCUMENTATION

The following paragraphs will briefly explain the general level of documentation required for each budget item.

CLG Personnel - All employee time, which is being charged to the project, must be documented on the employer's regular time sheets. Time sheets must be recorded on a daily basis and include a brief description of work performed that is identifiable to the grant project and separate from other non-grant work performed. (For example, "Consulted with SHPO staff on XX" is acceptable; "Grant activities" is not.) *Time sheets must be signed by the employee and the employee's supervisor.* The CLG's financial office should provide a statement of each employee's hourly wage, benefits and what the fringe benefit rate is based upon. For salaried employees, it is not necessary to submit copies of canceled checks as proof of payment. However, for non-salaried employees who are paid by contract or invoice invoices must indicate proof of payment.

Donated Services - are allowable matching share when they are performed for approved project work only, and not included in contributions for any other federally assisted program. Documentation for donated services is the same as "CLG Personnel" above. If the CLG's personnel are part of the project budget, but are not being paid from any of the grant funds, then their services are considered "donated." Donated services can also come from other sources, if the person is being paid by another organization, but performing approved project work for the CLG. For instance, a business might donate the services of their personnel to help design a brochure, or provide word processing services.

Volunteer Services - are the unpaid services of persons performing approved project work. The hourly rate is determined by task and must be consistent with that paid for the same or similar work in the local labor market. Rates are approved before the Assistance Agreement is executed. In general, volunteers performing a skill for which they are not trained will only be able to charge the minimum wage rate for their volunteered time. Volunteers must record their hours on a daily basis, being specific about the work performed. *Both the volunteer and project supervisor must sign the time sheet.* The "Record of Volunteer Services" form appended to this manual can be used for this purpose.

Contractual - Copies of contracts executed between the CLG and all consultants and contractors must be submitted at the time they are signed. By federal regulation, the maximum limit for consultants chargeable to a grant project (both federal and matching share) is \$88.10 per hour/daily rate \$705. To document costs, submit copies of itemized bills indicating payment date & check number.

Travel - Submit documentation supporting travel expenditures. Documentation should include date of travel, purpose of trip, destination and total mileage. The maximum reimbursement for travel is not to exceed the current rate paid to state employees for travel which is \$.55 per mile. Submit receipted invoices. Lodging, if budgeted, is documented by invoice. A daily rate for meals, based on state employee rates, will be included in the budget, if necessary to the project and invoices must be provided.

Supplies - Submit documentation supporting expenditures for supplies, including receipted invoices.

Donated Equipment - Donated equipment and office space are often too difficult to document adequately to use as matching share. The CLG may contact the State Agency of Transportation or University of Vermont for information on their equipment use rates. Donated equipment or office space cannot be provided by the federal government, nor donated as part of any other federally assisted project. The donation cannot exceed the fair market rental value. The CLG must submit documentation of its basis for determining valuation, including proof of fair market rental value, the age of equipment, source of purchase and actual use of equipment and/or office space.

Telephone - Submit copies of telephone bills and highlight costs included as part of the project. Total the claimed costs & include receipted invoice.

Printing - Submit documentation supporting expenditures for photocopying and photo processing costs. Include proof of payment.

Other - Include proof of payment and invoices for expenses not included in the other sections

GRANT AGREEMENT
CLG «Grant_»

between the

STATE OF VERMONT DIVISION FOR HISTORIC PRESERVATION
Business Unit 07112

and

«Community_Caps»
(A Certified Local Government)

This Agreement is made and entered into by and between the State of Vermont Division for Historic Preservation (hereinafter called "Division") and the «Community» with the principal place of business at «Address», «Address_1» (hereinafter called "Subrecipient"). Subrecipient is not required to have a Business Account Number from the Vermont Department of Taxes.

This Agreement consists of (xx) pages, a State of Vermont Audit Certification, a three-part Federal Certification, and the following attachments which are incorporated herein:

Attachment A - Specifications of Work to Be Performed
Attachment B - Payment Provisions and Approved Budget
Attachment C- Customary Grant Provisions

1. SOURCE

The Division will furnish a matching grant-in-aid in an amount not to exceed \$«Grant_Award», or 60% of the approved project cost, whichever is less, to assist in the project entitled "«Grant_Title»" to be undertaken in accordance with the provisions of the Agreement. This sum is part of the funds granted to the State by the United States Department of the Interior, National Park Service (NPS), for the Certified Local Government Program share of the State's Annual Program Grant under the provisions of the National Historic Preservation Act of 1966 (P.L. 89-665), as amended.

2. CONDITIONS. In carrying out the project, the Subrecipient will:

- A. Follow the approved Specifications of Work To Be Performed as specified in Attachment A and the Payment Provisions and Approved Budget as specified in Attachment B;
- B. Comply with the provisions contained in Attachment C;
- C. Comply with all of the requirements of the Vermont Certified Local Government Grant Manual;
- D. Promptly inform the Division of any significant problems, delays, or adverse conditions, actual or anticipated, which will materially affect the project objectives or prevent the timely completion of the project milestones outlined in Attachment A;
- E. Conduct all procurement in compliance with 43 CFR Part 12, Subpart C and forward to the Division evidence of compliance with Federal competitive procurement requirements for professional services and subcontracts prior to reimbursement;

- F. A copy of all contracts and agreements with subcontractors and vendors must be submitted within 60 days of the approval by the Division of procurement procedures for each contract and agreement;**
- G. Furnish the Division and the United States Department of the Interior with periodic reports, statements, and other documentary data and information as may be requested relative to the progress and status of the project and as to the compliance with the terms and conditions of this Agreement;
- H. Hold the State of Vermont, its officers and employees, including but not limited to the Division for Historic Preservation, harmless from any damages to persons or property arising from any act, neglect, or omission by Subrecipient in carrying out the provisions of this Agreement or any action arising from the acquisition, relocation, restoration or operation of any properties covered under this Agreement, and hold the State of Vermont, its officers and employees, including but not limited to the Division for Historic Preservation, harmless for any amounts of money that the State of Vermont or the Division is required to repay or reimburse the United States Department of the Interior for the improper expenditure, use or management of grant funds by the Subrecipient. A determination by the United States Department of the Interior that the State of Vermont or the Division is required to repay or reimburse the United States Department of the Interior due to the improper expenditure, use, or management of grant funds by the Subrecipient shall be final and binding as between the Subrecipient and the State of Vermont and the Division for Historic Preservation in regards to liability under this paragraph;
- I. Not use Federal monies to match the monies granted through this Agreement, unless specifically allowed under special Federal enabling legislation;
- J. Comply with the provisions of 18 U.S.C. 1913 that states:
- “No part of the money appropriated by any enactment of Congress shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device intended or designed to influence in any manner a Member of Congress, to favor or oppose, by vote or otherwise, any legislation or appropriation by Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation; but this shall not prevent officers or employees of the United States or its Department or agencies from communication to Members of Congress on the request of any Member or to Congress, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business.”
- K. Comply with Title VI of the Civil Rights Act of 1964, as amended, prohibiting discrimination on the ground of race, color or national origin, and Section 504 of the Rehabilitation Act of 1973, as amended, prohibiting discrimination against people with handicaps, and the Americans with Disabilities Act of 1990, which prohibits discrimination on the basis of disability, and the Age Discrimination Act of 1975 which prohibits discrimination on the basis of age.

3. BREACH OF AGREEMENT

Failure of the Subrecipient to comply with any of the terms and conditions of this Agreement, except completion by the termination date, shall be deemed a material breach of this Agreement, and upon failure of the Subrecipient to remedy such breach within thirty (30) days after written notice from the Division, the State shall, to the full extent permitted by law, have each and all of the following rights and remedies;

- a. The right to demand and receive from the Subrecipient full refund of the grant; and
- b. Each and every additional right and remedy available to the State of Vermont either at law or in equity.

4. FAILURE TO COMPLETE

Failure of the Subrecipient to complete this Agreement by the termination date shall be deemed a material breach of this Agreement without the necessity of written notice as provided in paragraph 3, and the State shall, to the full extent permitted by law, have each and all of the rights and remedies set out in paragraph 3.

5. PROJECT ALTERATIONS & AMENDMENTS

Alterations to the “Specifications of Work To Be Performed” or “Payment Provisions and Approved Budget” shall be allowed upon request and approval from the Division.

No changes, modifications, or amendments in the terms and conditions of this Grant Agreement shall be effective unless reduced to writing, numbered, and signed by the duly authorized representative of the State and Grantee.

6. PRE-AGREEMENT COSTS

If allowable under OMB Circular A-87, and approved by the Division, costs incurred by the Subrecipient in developing the project prior to the execution of this Agreement may be paid to the Subrecipient subject nevertheless to the provisions of paragraph 3 above.

7. UNAVAILABILITY OF FUNDS

It is understood that the full amount of the grant to be furnished the Subrecipient under the provisions of this Agreement is to be derived from Federal funds. If, for any reason whatsoever, the funds, in whole or in part, are withheld, cut off, or are not available for purposes of this Agreement, the State of Vermont, including the Division, shall have no obligation to pay the Subrecipient from State or Division funds, or from any other source whatsoever, regardless of the consequences to the Subrecipient, and this Agreement shall be null and void and of no further force and effect as to any obligations of the Division.

8. EFFECTIVE DATE/PERIOD OF PERFORMANCE

The Grant Agreement shall become effective on the date on which it has been fully executed and signed by all parties. The Agreement shall commence on «**Start**» and will terminate on «**Finish**» by which time the project will have been completed. **The Division may amend the termination date of this Agreement provided Subrecipient has requested and received approval for an extension in advance of the termination date.**

9. PRODUCTS

Acknowledgment of NPS support must be included in any publications, including audio visual materials, and project publicity, developed under this Agreement with the following statement:

“This information has been prepared with the assistance of a matching grant from the Vermont Division for Historic Preservation through the U.S. Department of the Interior under provisions of the National Historic Preservation Act of 1966. Regulations of the U.S. Department of the Interior prohibit discrimination on the basis of race, color, national origin, age or handicap in its federally assisted programs. Any person who believes he or she has been discriminated against in any program activity, or facility operated by a recipient of federal assistance should write to: Office of Equal Opportunity, National Park Service, 1849 C Street, NW, Washington, DC 20240.”

10. FALSE CLAIM

Subrecipient acknowledges that the State, in making any and all payments under this Assistance Agreement, relies upon the Subrecipient's representations in progress reports, bills, invoices, or other proof of work as being true and accurate. A Subrecipient who with intent to defraud, falsifies, conceals or covers up any trick, scheme or device a material fact, or with intent to defraud makes any false, fictitious or fraudulent claim or representation as to a material fact, or with intent to defraud makes or uses any writing or document knowing the same as to contain any false, fictitious or fraudulent claim or entry as to a material fact, is subject to prosecution under 13 V.S.A. Section 3016.

11. VOLUNTARY TERMINATION

Division and Subrecipient have the right to cancel this agreement for any reason, by giving written notice at least fifteen (15) days in advance.

Please read the Grant Agreement carefully before signing. Failure to comply with the agreement requirements and Final Product Report deadline could result in nonpayment of grant funds.

«Community_Caps»

«Address»

«Address_1»

by: _____
Chief Elected Local Official or Designee

date: _____

Name (Print) _____

Local Contact:

«Contact» «Email»

«Phone»

DIVISION FOR HISTORIC PRESERVATION

by: _____
Nancy Boone
Acting State Historic Preservation Officer

date: _____

ATTACHMENT A

SPECIFICATIONS OF WORK TO BE PERFORMED

PROJECT OBJECTIVE AND DESCRIPTION:

CLG «Grant_» / “«Grant_Title»”

Insert Purpose and Scope of Work

PERFORMANCE/REPORTING MILESTONES

- «Start»: Pursuant to Paragraph 6 “Pre-Agreement Costs” above, costs incurred according to the Project Objective and Description above shall be approved retroactive to this date.
- «Initial_Rept»: Initial Progress Report. Procurement, consultant hired, request for start up funds if necessary.
- «Final»: Final Project Report and all products due including Approved Budget Document as referred to in “Progress Reports and Final Project Report” below and supporting financial documentation for costs incurred during the period of «Start» and «Finish» such as receipts, signed time reports, and three (3) copies of the final product (photos and survey forms) if it is an NR or SR nomination/survey, or two (2) copies of all other final products.

PROGRESS REPORTS AND FINAL PROJECT REPORT

The Subrecipient shall submit Progress Reports if necessary for a request of start up funds, and a Final Project Report on the dates specified above in “Performance/Reporting Milestones.” For each report the Subrecipient shall be specific in comparing actual work accomplished to planned project objectives. Subrecipient shall include evaluation of any and all Subrecipient(s)' performance to date. **In addition, Subrecipient shall present a comparison between the approved budget and actual expenditures for each part of the budget using the Approved Budget Document included as Attachment D.**

Supporting financial documentation must be submitted in accordance with the “Performance/Reporting Milestones” stated above, and the “Payment Provisions” in Attachment B.

ATTACHMENT B

PAYMENT PROVISIONS

1. Division shall reimburse Subrecipient up to a total of \$«Grant_Award» or 60% of the approved project cost, whichever is less. Costs must be properly documented and allowable and in accordance with the Approved Budget.
2. Subrecipient shall submit copies of receipted invoices, or invoices and cancelled checks or a copy of recent financial audit (if available) for all costs of the project. Donated services approved in the budget shall be documented with verification of hourly rate and benefits for each donor and individual timesheets supporting specific hours worked on project for each donor, **signed by the donor and donor's supervisor**. Volunteer services approved in the budget shall be documented with verification of hourly rate where hourly rate exceeds minimum wage, for each volunteer, and individual timesheets supporting specific hours worked on project for each volunteer, **signed by volunteer and volunteer's supervisor**. This documentation shall be submitted according to the schedule in "Performance/Reporting Milestones" in Attachment A. No grant payments will be made to Subrecipient without acceptable supporting financial documentation.
3. Division shall reimburse Subrecipient upon request, according to the following schedule:
 - a. First payment of up to \$«Payment_1» may be made upon receipt of acceptable First Progress Report.
 - b. Second and or final reimbursement of up to \$«Payment_2» shall be made upon receipt of acceptable Final Project Report and all products.
4. Total reimbursement for project costs shall not exceed \$«Grant_Award».

**ATTACHMENT C
CUSTOMARY GRANT PROVISIONS**

1. Entire Agreement: This Agreement represents the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect.
2. Applicable Law: This Agreement will be governed by the laws of the State of Vermont.
3. No Employee Benefits For Subrecipients: The Subrecipient understands that the State will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation and sick leave, workers' compensation or other benefits or services available to State employees, nor will the State withhold any state or federal taxes except as required under applicable tax laws, which shall be determined in advance of execution of the Agreement. The Subrecipient understands that all tax returns required by the Internal Revenue Code and the State of Vermont, including, but not limited to income, withholding, sales and use, and rooms and meals, must be filed by the Subrecipient, and that information as to grant income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes, where required.
4. Independence, Liability: The Subrecipient will act in an independent capacity and not as officers or employees of the State. The Subrecipient shall indemnify, defend and hold harmless the State and its officers and employees from liability and any claims, suits, judgments, and damages arising as a result of the Subrecipient's acts and/or omissions in the performance of this Agreement.
5. Insurance: Before commencing work on this Agreement the Subrecipient must provide certificates of insurance to show that the following minimum insurance coverage is in effect. It is the responsibility of the Subrecipient to maintain current certificates of insurance on file with the State through the term of the Agreement.
 - a. Workers' Compensation: With respect to all operations performed, the Subrecipient shall carry workers' compensation insurance in accordance with the laws of the State of Vermont.
 - b. General Liability and Property Damage: With respect to all operations performed under the grant, the Subrecipient shall carry general liability insurance having all major divisions of coverage including, but not limited to:

Premises - Operations
Products and completed Operations
Personal Injury Liability
Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:

\$1,000,000 Per Occurrence
\$1,000,000 General Aggregate
\$1,000,000 Products / completed products aggregate
\$ 50,000 Fire Legal Liability

- c. Automotive Liability: The Subrecipient shall carry automotive liability insurance covering all owned, non-owned and hired vehicles, used in connection with the grant. Limits of coverage shall not be less than: \$1,000,000 Combined single limit

- d. No warranty is made that the coverage and limits listed herein are adequate to cover and protect the interests of the Subrecipient for the Subrecipient's operations. These are solely minimums that have been set to protect the interests of the State.
6. Reliance by the State on Representations: All payments by the State under this Agreement will be made in reliance upon the accuracy of all prior representations by the Subrecipient, including but not limited to bills, invoices, progress reports and other proofs of work.
7. Records Available for Audit: The Subrecipient will maintain all books, documents, payroll papers, accounting records, and other evidence pertaining to costs incurred under this Agreement and make them available at reasonable times during the period of the Agreement and for three years thereafter for inspection by any authorized representatives of the State. If any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved. The State, by any authorized representative, shall have the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed under this Agreement.
8. Fair Employment Practices and Americans with Disabilities Act: Subrecipient agrees to comply with the requirement of Title 21 V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. Subrecipient shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990 that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the Subrecipient under this Agreement. Subrecipient further agrees to include this provision in all sub-grants.
9. Subgranting: Subrecipient shall not assign or sub-grant the performance of this Agreement or any portion thereof to any other Sub-Subrecipient without the prior written approval of the State. The Subrecipient must advise its sub-Subrecipients of requirements imposed on them by state laws, regulations, and the provisions of contracts or grant agreements as well as any supplemental requirements imposed by the Division. They must also set up a plan for monitoring their sub-Subrecipients' use of the funds.
10. No Gifts or Gratuities: Subrecipient shall not give title or possession of any thing of substantial value (including property, currency, travel and/or education programs) to any officer or employee of the State during the term of this Agreement.
11. Suspension and Debarment: Non-federal entities are prohibited by Federal Executive Orders 12549 and 12689 from contracting with or making sub-awards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. Covered transactions include procurement contracts for goods or services equal to or in excess of \$100,000 and non-procurement transaction (grants). By signing this Agreement, current Subrecipient certifies as applicable, that the Subrecipient organization and its principals are not suspended or debarred by GSA from federal procurement and non-procurement programs.
12. Compliance with Cost Principles: Subrecipient shall comply with the requirements set forth in OMB Circular A-87 for State and Local Governments.
13. Compliance with Administrative Regulations: Subrecipient shall comply with the requirements of OMB Circular A-102 for State & Local Governments.

14. Requirement to have a Single Audit: If this Subrecipient expends \$500,000 or more in federal assistance during its fiscal year, it is required to have a single audit conducted in accordance with the Single Audit Act, except when it elects to have a program specific audit. The Subrecipient may elect to have a program specific audit if it expends funds under only one federal program and the federal program's laws, regulating or grant agreements do not require a financial statement audit of the entity.
15. A Subrecipient is exempt if the entity expends less than \$500,000 in total federal assistance in one year. The Subrecipient will complete the Certification of Audit Requirement annually within 45 days after its fiscal year end. If a single audit is required, the Subrecipient will submit a copy of the audit report to the Division within 9 months. If a single audit is not required, the Subrecipient will submit the Schedule of Federal Expenditures within 45 days. These forms will be mailed to the Subrecipient by the Department of Finance and Management near the end of its fiscal year.

ATTACHMENT D
APPROVED BUDGET DOCUMENT