

## AV-108: Directed Funding Quarterly Report Checklist

To be used for: General Aviation Legislative (GAL) Funds, NC Airport Improvement Program (NCAIP) Funds and State Capital and Infrastructure Funds (SCIF), Transportation Reserve Directed Funds (TRDF) via the Aviation Directed Funding Report Tile in EBS.

Forms AV-106 and AV-107 are now built into EBS. Therefore, the excel templates have been removed from the website.

For land acquisition related requests, please reference [AV-100](#) (NCDOT GA Program Development Checklist, page 2).

☑	Activity	Notes	Submit Via
1	<b>IF: This Directed Funding Quarterly Progress and Expense Report update is <u>NOT</u> a FINAL</b> <b>THEN: Verify the following items have been submitted:</b>		
	Quarterly Due Dates: <b>Jan 10, Apr 10, Jul 10, Oct 10</b> <i>Note: Sponsor dates must be met in order for DoA to meet its quarterly reporting deadlines.</i>	Directed Funding Quarterly Progress and Expense Report (AV-107) is required from the Notice to Proceed (NTP) through the most recently completed quarter for the life of the project. (NOTE: Do NOT use the QSR module in EBS, this should be submitted <b>via the Directed Funding Report Tile</b> ).	<b>EBS – Directed Funding Report Tile</b>
	Confirm SFY and Quarter listed on AV-107 is correct.	Q1 = Jul-Sept = Oct 10 report    Q2 = Oct-Dec = Jan 10 report Q3 = Jan-Mar = Apr 10 report    Q4 = Apr-Jun = Jul 10 report	<b>EBS – Directed Funding Report Tile</b>
	AV-107 Directed Funding Quarterly Progress and Expense Report. Enter Invoice Amounts/Pay Applications individually on the AV-107. If multiple invoices are included, do NOT enter total A-Code amount; entries must be broken down by invoice dates.	<ol style="list-style-type: none"> <li>Quarterly Progress Report tab includes objectives, milestones, start/end dates</li> <li>Quarterly Expense Report should list individual invoices/pay applications and resulting payment calculations, and total sums, etc.</li> <li>For NCAIP Directed Funding, reporting interest earned and interest expended will begin with the FY23 allocation.</li> </ol> <b>**CHECK MATH**</b> Remove Sales Tax on expenses via the AV-107 section of tile!	<b>EBS – Directed Funding Report Tile</b>
	If applicable, where legislatively directed state funds were allocated to a NC airport (and NOT the federally recognized sponsor), the federally recognized sponsor must agree in writing to the proposed development projects identified on the AV-109.	Provide on sponsor letterhead	<b>EBS – Directed Funding Report Tile</b>
	NCAIP, GAL and TRDF funds CAN be used as a match for federal grants.	SCIF funds CANNOT be used as a match for federal grants.	<b>N/A</b>
2	<b>IF: This Directed Funding Quarterly Progress and Expense Report update contains a <u>SCOPE CHANGE</u></b> <b>THEN: Verify the following items have been submitted:</b>		
	<a href="#">AV-109</a> Proposed Directed Funding Projects Form	Proposed Projects column should total to allocated Directed Funding amount. Estimates for land acquisition costs should be shown on AV-109. Identify scope change from initial submittal. Also, identify what # change this is.	<b>EBS – Change Request</b>
3	<b>Directed Funding Encumbrance Requirements</b>		



	AV-106 Directed Funding Encumbrance Report (when applicable).	AV-106 will identify any executed work authorizations, purchase orders, or construction contracts, etc. Include summation of total directed funds that are encumbered <b>and upload executed contracts/bid tabs/POs or other proof of encumbrance to the agreement in EBS.</b> Submit quarterly when additional contracts are encumbered. If no change from previous submittal, then no need to resubmit.	<b>EBS – Directed Funding Report Tile</b>
	FY25 NCAIP: (Ex. SFY2025 allocations need to be encumbered by 9/30/2026.)	An airport that receives funds under this section shall return the funds to the Department if the funds are in the possession or control of the airport and not expended or encumbered by <a href="#">September 30</a> of the year following the fiscal year in which the Department makes the allocation.	<b>N/A</b>
	FY22 SCIF ONLY: Ensure expenses incurred on or after July 1, 2021.	FY22 SCIF ONLY: Expenses after July 1, 2021 are eligible because that is the effective date of the budget. <b>*No expenditure deadline</b>	<b>N/A</b>
	FY23 SCIF ONLY: Ensure expenses incurred on or after July 1, 2022.	FY23 SCIF ONLY: Expenses after July 1, 2022 are eligible because that is the effective date of the budget. <b>*No expenditure deadline</b>	<b>N/A</b>
	TRDF ONLY: Ensure expenses incurred on or after July 1, 2023.	TRDF ONLY: Expenses after July 1, 2023 are eligible because that is the effective date of the budget. <b>*No expenditure deadline</b>	<b>N/A</b>
	GAL: Ensure expenses incurred on or after October 18, 2019	<a href="#">SL 2024-57</a> : SUBPART II-I. TRANSPORTATION AIRPORT IMPROVEMENT FUNDS SHALL NOT REVERT SECTION 21.1. Notwithstanding G.S. 143C-1-2(b), G.S. 63-74(d), Section 41.4 of S.L. 2022-74, or any other provision of law to the contrary, funds allocated for airport improvements on or after July 1, 2019, by Section 4.7 of S.L. 2019-231, Section 2.2(j) of S.L. 2023-134, or any other act of the General Assembly for projects that are active as of November 18, 2024, shall not revert but shall remain available to expend until completion of the improvement.	<b>N/A</b>
<b>4</b>	<b>IF: This Directed Funding Quarterly Progress and Expense Report update includes initial <a href="#">Professional Services (A102, A104 or A105)</a> THEN: Verify the following items have been submitted:</b>		
	Executed Work Authorization (professional services), upon availability	DoA is not approving scope, fees or other rates. However, Directed Funding is only eligible to be used on items at the State approved rates identified on the Maximum Allowable Non-Salary Direct Costs guidance. Should grantee CHOOSE to pay over the approved rates, the documentation must delineate between what is eligible for Directed Funding and what is not. It is the sponsor’s responsibility to keep on file for auditing.  <b>Maximum Allowable Non-Salary Direct Cost must be followed as it's a state requirement for state directed grants.</b>  Note: 1. IFEs no longer required for Directed Funding as of 7/1/24. The Division of Aviation was previously providing the IFE service to the airports, but due to limited resources, this has begun to delay project delivery and expenditures. To accommodate this shortage, the Division of Aviation removed this NCDOT policy requirement for projects that are not utilizing federal funds in any phase of the project. This policy applies to professional service firms, not contractors. The responsibility to ensure reasonable cost of chosen services is therefore deferred to the airport sponsor, as a steward of public funds.  Note: Projects federalized in any way will still be held to the guidance outlined in Advisory Circular 150/5370-10H §20-02	<b>EBS – Agreement</b>



		(2018) for work not typically undertaken by NCDOT prequalified contractors or work types.  2. For state-funded projects that are not utilizing federal funds in any phase of work, local procurement procedures may be followed.	
<b>5</b>	<b>IF: This Directed Funding Quarterly Progress and Expense Report update includes <a href="#">Land Acquisition (A103)</a> expenses that were NOT included in previous submittals</b> <b>THEN: Verify the following items have been submitted:</b> <b>**LAND ACQUISITIONS NOT ALLOWED FOR SCIF FY22/23 FUNDING</b>		
	<u>One Appraisal</u>	ONLY if property is less than \$1 million	<b>Send to APM</b>
	<u>Two Appraisals</u>	Two appraisals are required: <ol style="list-style-type: none"> <li>1. If property is over \$1 million and/or</li> <li>2. If acquisition will cause damages over \$250,000</li> </ol>	<b>Send to APM</b>
	<u>Appraisals are to be sent to DoA. DoA sends to NCDOT Right-of-Way for review of appraisal(s) and concurrence of Fair Market Value (FMV) or Settlement price must be documented.</u>	NCDOT is paying for ROW review services and must get advance approval before work can begin. FYI: NC is having significant shortage of appraisers which can add additional time.	<b>Send to APM</b>
	<u>On AV-107 Quarterly Progress Report Tab for Milestone Dates</u>	If project includes Land Acquisition, "Under Contract" column should include anticipated dates for an extension of offer or determination of Fair Market Value (FMV). If project includes Land Acquisition, "Project Complete" column should indicate anticipated Closing Date.	<b>EBS – Directed Funding Report Tile</b>
	<u>Sponsor completed and signed <a href="#">AV-100</a>, page 2 Land Acquisition checklist.</u>	<ol style="list-style-type: none"> <li>1. Upload the deed that has airport/sponsor name on it.</li> <li>2. Upload closing document and/or settlement statement.</li> <li>3. Other required items on AV-100, page 2 checklist should be sent electronically to APM.</li> </ol> Additionally, Land Acquisition Guidance is posted on the Connect site.	<b>EBS – Directed Funding Report Tile</b>
<b>6</b>	<b>IF: This Directed Funding Quarterly Progress and Expense Report update includes initial <a href="#">Construction (A106)</a> expenses</b> <b>THEN: Verify the following items have been submitted:</b>		
	Executed Construction Contract, upon availability	DoA is not approving scope, fees or other rates. However, Directed Funding is only eligible to be used on items at the State approved rates identified on the Maximum Allowable Non-Salary Direct Costs guidance. Should grantee CHOOSE to pay over the approved rates, the documentation must delineate between what is eligible for Directed Funding and what is not. It is the sponsor's responsibility to keep on file for auditing.  <b>Maximum Allowable Non-Salary Direct Cost still must be followed as it's a state requirement for state directed grants.</b>  NOTE: 1. Vendors selected by airports for construction no longer have to be NCDOT prequalified. To accommodate the NCDOT Prequalification challenge, the Division of Aviation removed this NCDOT policy requirement for projects that are not utilizing federal funds in any phase of work. In lieu of this requirement, airports, as local government entities, will be responsible for selecting vendors based on their respective procurement policies. The responsibility to ensure proper selection of contractors and appropriate fees is therefore deferred to the airport sponsor, as a steward of public funds.	<b>EBS – Agreement</b>



		<p>Note: Projects federalized in any way will still be held to the guidance outlined in Advisory Circular 150/5370-10H §20-02 (2018) for work not typically undertaken by NCDOT prequalified contractors or work types.</p> <p>2. If the project is using federal funds or may use federal funds in any phase of work then the sponsor must utilize the FAA pre-qualification option or vendors must be NCDOT prequalified.</p> <p>3. You may be able to use FAA-qualified vendors based on guidance in Advisory Circular 150/5370-10H Section 20-02 for work not typically undertaken by NCDOT prequalified contractors or work types. Work with your APM to determine eligibility.</p> <p>4. For state-funded projects that are not utilizing federal funds in any phase of work, local procurement procedures may be followed.</p>	
	Certified Bid Tab	Upon availability	<b>EBS – Agreement</b>
	FAA Form <a href="#">7460</a> (Notice of Proposed Construction or Alteration) is a required form that should be completed before construction can begin.	<p>Due to NC backlog, if this form isn't submitted before or during construction, at a minimum the form will be required to close a directed grant that is utilizing any federal funds.</p> <p>Failure to submit FAA Form 7460 could result in loss of federal and state funding.</p>	<b>EBS – Agreement</b>
	<p><a href="#">AV-508</a>: Pre-Bid DBE/MBE/WBE Goal Notification &amp; Certification</p> <p>Note: Listing “None” indicates no goal required. “0%” indicates no goal set.</p>	<p>Directed Funds require a MBE/WBE goal unless combined with federal funds which will require a DBE goal. If there is a DBE goal being tracked for federal funds, then list the goal and note that it is tracked under a different federal grant, not the state directed funding grant. AV-508 will be uploaded to the EBS Agreement with first quarterly report upon availability. See <a href="#">DBE/WBE/MBE guidance</a>.</p>	<b>EBS – Agreement</b>
	<a href="#">AV-509/AV-510</a> : DBE/MBE/WBE/HUB Vendor Forms (signed by Sponsor and Contractor)	<p>Commitments must be included with payments and individual Date Paid detail. See <a href="#">DBE/WBE/MBE guidance</a>. AV-509-510 will be uploaded with first quarterly report upon availability.</p>	<b>EBS – Directed Funding Report Tile</b>
	Approved Environmental Documentation	<p>General Aviation (GA) requires DoA Approval as State Block Grant. Depending on level of airport, FAA or DoA Approval is required.</p> <p>CS sponsors can submit signed letter on letterhead certifying environmental docs are completed and approved.</p> <p>GA sponsors will receive a letter of approval from DoA (Martha Hodges/Env Eng).</p> <p>Environmental document or letter should be uploaded to the EBS Agreement at the beginning if funding an active project or with the quarterly report when construction begins.</p>	<b>EBS – Agreement</b>
	Bid Advertisement	<p>Required for any formal bidding including alternative delivery methods such as Construction Manager At Risk (CMAR) or Design-Build Alternative Delivery. If federal funds are being used, then FAA is required to approve the bid advertisement for the alternative delivery method, not DoA.</p> <p>If project utilizes directed funds and federal funds for construction, acceptable delivery methods must align with Federal guidance (<a href="#">FAA AC 150/5100-14E</a> or current).</p>	<b>EBS – Directed Funding Report Tile</b>
	Informal bidding	<p>Requires documentation of outreach and may require minority goals, if applicable. Applies to State funded projects totaling more than \$100,000 per N.C.G.S. §143-128.2(a) (rev. 2023). Also, applies if combining with Federal funds for projects totaling more than \$250,000 per 49 CFR part 26.</p>	<b>EBS – Directed Funding Report Tile</b>



	Alternative Delivery Advisement Letter Template ( <i>only eligible for TRDF and SCIF FY22 and FY23</i> )	On sponsor letterhead. Updated accordingly based on which alternative delivery method is being utilized.	EBS – Directed Funding Report Title
7	<p>IF: This Directed Funding Quarterly Progress and Expense Report update includes initial <a href="#">Equipment (A107)</a> expenses          THEN: Verify the following items have been submitted:  <b>**EQUIPMENT PURCHASES NOT ELIGIBLE FOR FY22 SCIF AND GAL GRANTS</b></p>		
	Purchase Order (equipment)	<p>Not eligible for FY22 SCIF or GAL grants:  <b>“Capital improvements”</b> is defined by G.S. 143 as “A term that includes <u>real property</u> acquisition, new construction or rehabilitation of facilities, and repairs and renovations over \$100,000 in value”. Per 2 CFR § 200.1 <u>Real property</u> means land, including land improvements, structures and appurtenances thereto, but <u>excludes moveable machinery and equipment</u>.</p> <p><b>For FY23 SCIF and TRDF allotments</b>, equipment meeting the definition of real property, being defined as capitalizable non-movable machinery and equipment exceeding \$5,000 in value with a useful life of greater than two years, is considered allowable for fund usage. Movable equipment or noncapitalizable equipment does not meet the definition of real property acquisitions per the State Budget Act, and therefore is NOT allowable. See the <a href="#">Directed Funding Equipment Eligibility</a> template on connect site.</p>	EBS – Agreement
8	<p>IF: This change request includes <a href="#">Miscellaneous (A108)</a> for DEBT SERVICE          THEN Submit these items:  <b>**DEBT SERVICE NOT ALLOWED FOR SCIF FY22/FY23 AND TRDF</b></p>		
	NCAIP Debt Service Utilization Template on Sponsor Letterhead	Word template on Connect site	EBS – Agreement
	Airport or Airport Authority’s executed loan agreement		EBS – Agreement
9	<p>IF this Directed Funding Quarterly Progress and Expense Report update will <u>fully expend the FY allocation but the project is NOT complete</u>, in lieu of closeout docs THEN submit these items:</p>		
	<a href="#">Allocation Closeout Letter</a> on sponsor letterhead. See <a href="#">example</a> .	Explain percent of contract completed at end of SFY and that the project is going to continue to encumber funds of future year allotments. Include in letter that expenses listed with state sales tax and other funding contributions are removed from the amount being expensed against this grant. Confirm all required environmental documentation for construction was completed and approved.	EBS – Directed Funding Report Title
	Most recent <a href="#">AV-509/AV-510</a> : to show minority participation completed to-date. AV-509/AV-510: DBE/MBE/WBE/HUB Vendor Commitments/Payments.	ONLY collect for projects fully funded with state funds to show status to-date so DoA can confirm goals are met in the end. If project is funded across multiple years, require a report at the closeout of one funding grant as it rolls into the next. State funds require a MBE/WBE goal unless combined with federal funds which will require a DBE goal.	EBS – Directed Funding Report Title
	Progress photos of project(s) (Photos, while not required for equipment, or construction, are very helpful for reporting progress to legislature.)	Name each image to provide the date it was taken, your airport call letters and brief description, as follows: <b>2022-4-2 XYZ Pavement rehab</b> . If you provide multiple images of the same thing, number each image: <b>2022-4-2 XYZ Pavement rehab-1, 2022-4-2 XYZ Pavement rehab-2</b> , etc., before uploading.	Email to APM
10	<p>If this is Final Reporting to close out <a href="#">Professional Services (A102, A104 or A105)</a> project          THEN: Verify the following items have been submitted:</p>		



	Final Invoice/Billing	Should show cumulative total of expenses	EBS – Directed Funding Report Tile
<b>11</b>	If this is Final Reporting to close out final <u>Construction (A106)</u> project THEN: Verify the following items have been submitted:		
	<u>Note: Documentation in other sections may be required as well.</u>		
	<u>Final Pay Application</u>	Clearly show total spent and removal of taxes. DoA is not reviewing fees, rates or work completed.	EBS – Directed Funding Report Tile
	Comprehensive <a href="#">AV-509/AV-510</a> : DBE/MBE/WBE/HUB Vendor Forms (signed by Sponsor and Contractor)	Commitments must be included with payments and individual Date Paid detail. See <a href="#">DBE/WBE/MBE guidance</a>	EBS – Directed Funding Report Tile
	<a href="#">AV-514</a> : DBE Payment Shortfall Form (if applicable)		EBS – Directed Funding Report Tile
	<u>Contractor’s Affidavit of Payment of Debts and Claims</u> (sometimes also called Final Waiver of Lien or Affidavit of Release of Liens)	Example: AIA G706	EBS – Directed Funding Report Tile
	<u>Notarized Consent of Surety with Power of Attorney</u> if bank handled funding (if applicable)	Example: AIA G707	EBS – Directed Funding Report Tile
	Certificate of Occupancy per NC Building Code	<a href="#">NCGS 160d-1116</a> <a href="#">NCGS 160D-403 (g)</a>	EBS – Directed Funding Report Tile
	Documentation of Fire Marshall Inspection of Fuel Farms	National Fire Protection Association (NFPA 407)	EBS – Directed Funding Report Tile
	Progress photos of project(s) (Photos, while not required for equipment, or construction, are very helpful for reporting progress to legislature.)	Name each image to provide the date it was taken, your airport call letters and brief description, as follows: <b>2022-4-2 XYZ Pavement rehab</b> . If you provide multiple images of the same thing, number each image: <b>2022-4-2 XYZ Pavement rehab-1</b> , <b>2022-4-2 XYZ Pavement rehab-2</b> , etc., before uploading.	Email to APM
	<b>GA airports ONLY:</b> AutoCAD drawings of any project that expands pavement for General Aviation airports to update NCDOA’s Pavement Condition Index maps.		Email to APM