

# GRANT UPDATES

DECEMBER 2018

In October 2018, the Division of Aviation Lean Six Sigma Team completed its *Streamlining the Aviation Grant Application Process Project*. This year-long effort identified opportunities to improve grant workflow efficiency and deliver better customer service to its airport sponsors. **On December 13, 2018, the Division will introduce 18 grants updates and changes to help accomplish these goals.** These improvements, which will also more fully align the Division and its sponsors with state and federal grant regulations, are listed below and affect grant agreements, grant documents, EBS/Partner Connect, claims, and compliance monitoring. This communication is being provided so that airport sponsors may review these updates and changes and make any necessary adjustments to their own workflow ahead of implementation.

## GRANT AGREEMENTS

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**1. Grant agreement language has been updated.** The Division has revised its grant agreement language and will be using three different grant agreement documents: state-funded, federal-funded, and split-funded grants. *Sponsors should review the new grant agreement language entirely.* The most notable changes include: clearer verbiage for period of performance, pre-award costs, and change order eligibility; current Title VI assurances; a simpler signature page; clarification of reimbursements and advance payments; a 60-day claim requirement for reimbursements; and clarification of the three business day requirement for advanced funds.

**2. Grant agreements may be signed through DocuSign.** The sponsor has the option to use DocuSign as a legal signature on the grant agreement. Interested sponsors should contact a member of the Finance and Grants staff or their APM for more information.

**3. State funding will expire after two years rather than four.** This change aligns with the state's biennial budget schedule and NCDOT policy that project funds may be reserved for a maximum of two years. Federal funding will remain on a four year schedule.

**4. Grant agreements with federal funds will reference and include a cover letter outlining the sources and expiration dates of federal funds.** This change helps ensure compliance with period of performance requirements outlined in 2 CFR 200.309.

## EBS/PARTNER CONNECT

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**1. Sponsors are no longer required to second PIN the Request for Aid (RFA) after the Department signs the application.** The second PIN was determined to be unnecessary and will be removed from the RFA.

**2. Naming conventions will be required in an upcoming EBS/Partner Connect system update.** Effective Spring 2019 (expected), the system will require sponsors to choose a document type from a drop down box before a document can be uploaded.

## FINANCE AND GRANTS STAFF

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**We are proud to serve the State of North Carolina and its vital airport system.** Please feel free to contact us or your APM with questions about these improvements to our grants program.

**Joseph Gilroy** - Manager of Finance and Grants

**Betsy Beam** - Grants Administrator

**Rachel Fogleman** - Grants Compliance Monitor

**Amy Harber** - Grants Technical Consultant

**Cindy Reilly** - Accounting Clerk

**Leah Roberts** - Business Officer

**NCDOT Division of Aviation**

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## GRANT DOCUMENTATION

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**1. Sponsors are not required to upload RS-2 forms for the grants process.** The NCDOT Office of Civil Rights has determined that the RS-2 form duplicates effort as this information is already in the Work Authorization. Therefore, RS-2 forms are no longer required for the *grant* process but are still required for on-call projects.

**2. Certified payroll reports (Federal Form WH-347) must be attached to all A106 expenses for federally-financed construction projects.** A recent audit of the Division's federal grants required that the reports be attached in accordance with the Davis-Bacon Act.

**3. There are now two different Quarterly Status Reports: construction and non-construction.** This is automated in EBS/Partner Connect. The non-construction QSR will be required through the design/bid phase. The construction QSR will be required with the first construction reimbursement request. Signed QSRs are required for the quarter in which the grant is executed and every completed quarter up to the time of closeout.

**4. Sponsors will receive an automated email reminder when QSRs are due.** Expected to launch in January 2019, sponsors will receive only one email regardless of how many open grants the sponsor has.

## COMPLIANCE MONITORING

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**1. The Division is developing a risk-based subrecipient compliance monitoring plan.** Beginning in Spring 2019 (expected), the Division will use information gathered from sponsors on an Internal Control Questionnaire, past audits, financial and programmatic compliance records, and other sources to conduct a risk assessment. The results of the assessment will determine the process - routine monitoring, desk review, or on-site review - used to prioritize airport projects and ensure sponsor compliance with applicable statutes, regulations, and terms of the grant agreement.

**2. The Division will launch an Internal Control Questionnaire.** The questionnaire will be used to assess the design of internal controls at each airport, training needs, and any opportunities or challenges that need to be addressed. The questionnaire will be sent to sponsors via SurveyMonkey. Information from the questionnaire will be used in the assessment described above.

## CLAIMS

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**1. The claim form now includes a drop-down menu for the sponsor to indicate whether the claim is a request for advance payment or reimbursement.** Requests for advance payment (payment has not yet been made to the vendor) and reimbursement (payment has been made to the vendor) cannot be combined on one form because different rules apply to each.

**2. Advanced funds must be disbursed within three business days.** When requesting advanced funds, the sponsor must check the box on the claim form certifying its need for advanced funds for an approved project expense and that the payment will be made within three business days. The disbursement within three business days will be verified on the Division's next payment verification check.

**3. Reimbursement claims must be submitted to the Division within 60 days of payment to the vendor.** If an expense was incurred prior to an executed grant agreement and is an allowable cost in the approved project budget, a claim for reimbursement must be submitted within 60 days of the executed grant agreement.

**4. Each claim submitted must be rounded up to the nearest whole dollar.** This change will help the Division align the EBS/Partner Connect system to the Department's financial system. When a claim is submitted, the sponsor must round up to the nearest dollar before submitting the claim to the Division.

**5. The Division will adhere to the NCDOT standard fee (profit margin).** As of January 2018, the standard fee for professional services contracts is 9%. The Division will automatically adopt any future changes to the Department's standard fee.

**6. The RPR form (travel expenses) has been updated.** When claiming travel expenses, sponsors must complete and attach an RPR form and all required source documentation (i.e., hotel receipts, mileage logs, pre-approval for overages, etc.) to the claim. Sponsors may use an equivalent travel form, but it must include all of the information required on the RPR.

[Thank you for your attention and cooperation with our grant program improvements. We welcome your feedback before and after our December 13, 2018 implementation.](#)