



Working to Create Michigan's Future Today

STATE ENERGY PROGRAM
ENERGY EFFICIENCY ACTIVITIES IN STATE BUILDINGS AND FACILITIES

Project Solicitation

August 10, 2009 - September 3, 2009

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Director and Chief Energy Officer



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PART 1 – FUNDING OPPORTUNITY DESCRIPTION

1.1 Statement of Purpose

The Michigan Department of Energy, Labor & Economic Growth (DELEG) announces its intent to issue a Project Solicitation (PS) to solicit applications from state agencies for financial assistance to implement energy efficiency at facilities, buildings, and properties owned and operated by the state of Michigan. This funding opportunity is offered under the auspices of the State Energy Program administered by the Bureau of Energy Systems (BES) within DELEG.

1.2 Funding Source

The State Energy Program has been allocated \$82,035,000 dollars by the American Recovery and Reinvestment Act (ARRA) of 2009, Public Law 111-5. The goals of the State Energy Program are:

- A. Increase energy efficiency to reduce energy costs and consumption for consumers, businesses, and government.
- B. Reduce reliance on imported energy.
- C. Improve the reliability of electricity, fuel supply, and the delivery of energy services.
- D. Reduce the impacts of energy production and use on the environment.

1.3 Funding Availability

A total of \$56,000,000 in State Energy Program ARRA funding will be directed towards energy efficiency and renewable energy projects in state-owned and leased facilities, buildings, and properties. This solicitation is for \$10,000,000 to implement energy efficiency projects in state-owned and operated buildings and facilities. There will be subsequent solicitations for projects in state-owned and leased buildings and facilities as the remaining funds are made available.

1.4 Funding Range for Projects

The State Energy Program will provide financial assistance (i.e. loans or grants or a combination thereof) covering up to 100 percent of eligible activities where feasible. The amount and type of funds provided will depend upon the number of applicants/project proposals, amount requested, and merit of proposal.

1.5 Eligible Applicants

To be eligible to receive financial assistance under this solicitation, the applicant must represent one of the following state agencies:

Agriculture	Information Technology
Attorney General	Lieutenant Governor
Civil Rights	Management and Budget
Community Health	Military and Veterans Affairs
Corrections	Natural Resources
Education	Secretary of State
Energy, Labor & Economic Growth	State Police
Environmental Quality	Transportation
Governor	Treasury
History, Arts and Libraries	
Human Services	

1.6 Ineligible Applicants

For-profit organizations, non-profit organizations, school districts (K-12), higher education, and others not otherwise specified above are not eligible to apply for financial assistance under this solicitation. Federal and local agencies are also not eligible.

1.7 Eligible Projects

Eligible projects must involve an activity and or installation or deployment of a commercially available and proven technology listed below at buildings, facilities, and properties owned and operated by the state of Michigan. Impacted buildings or facilities must be currently occupied and have long range plans of continued use. Excluded are schools, healthcare facilities, and higher education buildings and properties. Priority will be given to projects that do not generate toxic or hazardous substances or pose additional risks to human health and the environment.

Example Projects:

Energy Performance Contracting Services:

- A. Investment grade energy audit and project development
- B. Energy performance contract implementation
- C. Performance services

Energy Efficiency:

- A. Lighting (e.g. fluorescent T8s/T5s, occupancy/motion sensors, etc.)
- B. Mechanical systems (i.e. heating, cooling, and ventilation equipment)
- C. Water heating and pumping systems
- D. Advanced control systems
- E. Smart Metering systems
- F. Insulation, sealing, and other building envelope improvements
- G. Boiler or furnace replacement with a more efficient unit

Note: Other activities that meet the federal Department of Energy's definition of energy efficiency will be considered.

1.8 Ineligible Projects

- A. Projects directed to enhance a building's appearance.
- B. Projects involving demonstration of non-commercially available equipment and technologies. This also includes projects involving the conduct, or purchase of equipment to conduct research, development, or demonstration of energy efficiency or renewable energy techniques and technologies not commercially available. However, demonstrations of commercially available energy efficiency techniques and technologies are permitted.
- C. Energy efficiency or energy recovery projects lacking significant onsite benefits.
- D. Projects that effectively duplicate state services or effectively duplicate previously funded projects by the State Energy Program.
- E. Projects that can not be shared with or have limited transferability to other eligible agencies.
- F. Projects deemed illegal under the law or inappropriate under contract management standards.
- G. Projects requiring an environmental assessment study under the National Environmental Policy Act (NEPA) of 1969 (42 U.S.C. Section 4321 et seq) unless the applicant can show proof of the Department of Energy's approval of the project.
- H. Projects involving the purchase of land, buildings, structures, or any interest therein.
- I. Projects involving the construction or repair of buildings or structures.

1.9 Eligible Applications

Applicants must use the State Energy Program forms to apply for financial assistance. The forms are in Part 3 and are designed to assist applicants in providing needed contact and project information, while minimizing errors that may delay or disqualify potentially fundable

projects. Proposals must additionally include an original completed and signed Project Application. (See Instructions for Grant Proposal in Part 3 - Application)

1.10 Matching Fund Requirements

The State Energy Program is required to leverage funds to the maximum achievable level. Thus, the BES is evaluating mechanisms with the Department of Management & Budget (DMB) to determine which mechanism enables the BES to achieve its goals and objectives.

Financial assistance may be provided as a grant or revolving loan or combination thereof. Applicants that are awarded grants **must** provide a match up to 50 percent of the total project cost. The 50 percent match requirement will be waived for applicants that use equivalent performance contracts.

NOTE: Applicant may use dollars, in-kind goods and services, and/or third party contributions for meeting their matching obligations under the program. Funds derived from other state of Michigan competitive grants are not eligible.

Matching funds must be secured when a proposal is submitted. Matches are considered secured in the following situations:

- A. The agency that submits the proposal is also providing the matching funds.
- B. The agency applying for the funds lists the source of the match and has documentation of that match. That documentation should be in the form of a Letter of Commitment that identifies how much money and/or staff time the organization is committed to providing toward the grant project, and a Financial Statement on the solvency of the organization.

1.11 Ineligible Costs

- A. Activities initiated prior to execution of the grant agreement, including applicant's cost for preparing the financial assistance application.
- B. Tuition, vehicles, computer equipment, and real property (e.g. land, real estate, and buildings).
- C. Construction or repair of buildings or structures.
- D. Activities undertaken after the financial agreement has expired.

1.12 Minimum Requirements for a Successful Proposal

Successful proposals must focus on meeting the following performance metrics:

- A. Jobs created, and/or retained
- B. Energy (kWh/therms/gallons/BTUs/etc.) saved
- C. GHG emissions reduced (CO2 equivalents)
- D. Energy cost savings
- E. Funds leveraged
- F. Completed by September 30, 2011

Note: To ensure the effective use of funds, the State Energy Program will evaluate proposals based on the projected results of energy savings per dollar invested. Applicants are strongly encouraged to propose measures that will achieve no less than 10 million source BTUs saved by 2012 per \$1,000 spent. The State Energy Program will provide additional guidance to applicants regarding the measurement and calculation of energy savings. Also be advised that the State Energy Program is subject to special federal terms and conditions in the ARRA. Therefore, recipients are also subject to these terms and conditions.

1.13 Project Clarifications/Revisions

During the proposal review process, applicants may be contacted for clarification and for the purpose of negotiating changes in project activities, timetables, and budgeted costs. The BES reserves the right to award funds for an amount other than that requested and/or request changes to, or clarification of, the proposed project.

Information essential for BES to meet its reporting obligations under the ARRA must be included in project proposals.

1.14 Acceptance of Proposal Content

The successful applicant will be required to enter into an "Interagency Agreement" (IA) with the BES within 30 days of being awarded funding. An IA consists of standard "boilerplate" language, applicant's work plan, timetable, budget information, a compensation clause that adheres to guidelines in this solicitation, and terms and conditions that outline some of the contractual requirements. Failure of the successful candidate to accept these obligations will result in cancellation of the award.

Note: The BES reserves the right to reject any and all proposals received as a result of this project solicitation.

1.15 Incurring Costs

The State of Michigan is not liable for any cost incurred by an applicant prior to issuance of a grant agreement, including development costs for proposal.

1.16 Inquiries

Questions that arise as a result of this PS must be submitted in writing to the BES either by mail, email, or fax; telephonic questions cannot be answered. All questions must be submitted on or before August 20, 2009. Written answers to questions will be provided to all prospective applicants on the BES' Web site at <http://www.michigan.gov/dleg/0,1607,7-154-25676---,00.html> prior to August 28, 2009.

1.17 Prime Applicant Responsibilities

The selected applicant will be required to assume responsibility for all grant activities offered in the proposal whether or not that applicant performs them. Further, the BES will consider the selected applicant to be the sole point of contact with regard to grant matters, including but not limited to, payment of any and all costs resulting from the anticipated grant. If any part of the work is to be subcontracted, the Grantee must notify the state and identify the subcontractor(s), including firm name and address, contact person, complete description of work to be subcontracted, and descriptive information concerning subcontractor's organizational abilities. The BES reserves the right to approve subcontractors for the project and to require the Grantee to replace subcontractors found to be unacceptable. The Grantee is totally responsible for adherence by the subcontractor to all provisions of the Grant.

1.18 Partner Responsibilities

Organizations partnering with selected applicant(s) must comply with the requirements of the PS and will be held to the same standards as prime applicants. Partnering organizations must respond to Part 3, Project Application, and must make grant accounting records available for audit by the BES in accordance with Part 2, Section 2.7, Accounting, and Section 2.8, Audit. Organizations partnering with selected applicant(s) must enter into a partnership agreement. A copy of the partnership agreement must be provided to the Grant Administrator. Partnering organizations may be non-profit or for-profit entities.

1.19 News Releases

News releases pertaining to this PS or the project to which it relates will not be made without prior BES approval, and then only in coordination with the BES.

1.20 Contract Reimbursement for Project Expenditures

Project contracts cannot extend beyond December 30, 2011, with the final billing invoice to be submitted by 4:00 PM on February 24, 2012 to secure full reimbursement. Grant applicants will be expected to make their own payments for materials, equipment, supplies, personnel, or other project expenditures and, subsequently, provide to the BES detailed requests for reimbursement. These requests will document expenditures made, equipment purchased, and other eligible expenses incurred.

1.21 Confidentiality

All information in an applicant's proposal and any Grant resulting from this RFP is subject to the provisions of the Freedom of Information Act, 1976 Public Act No. 442, as amended, MCL 15.231, et seq.

1.22 Due Date

The BES is the point of contact for this solicitation. Applications must be received no later than 4 p.m. on September 3, 2009 at the address listed below. Faxes and electronic submissions will not be accepted. The contact person at the BES is:

Robert Jackson
Bureau of Energy Systems
611 W. Ottawa
PO Box 30221
Lansing, MI 48909

1.23 Payment Schedule

Progress payments up to a total of 85 percent of the Total Authorized Budget may be made upon submission of a Grantee request indicating grant funds received to date, project expenditures to date (supported with computer printouts of accounts, general ledger sheets, balance sheets, etc.), and objectives completed to date. Backup documentation such as computer printouts of accounts, ledger sheets, check copies, etc., shall be maintained for audit purposes in order to comply with this Agreement. The payment of the final 15 percent of the grant amount shall be made after completion of the project and after the Grant Administrator has received and approved a final report, if applicable. The final payment is also contingent upon the submission of a final invoice that includes expenditures of grant funds reported by line item and compared to the approved Budget.

Public Act 279 of 1984 states, that the state shall take all steps necessary to assure that payment for goods or services is mailed within 45 days after receipt of the goods or services, a complete invoice for goods or services, or a complete contract for goods or services, whichever is later.

1.24 Monitoring and Reporting Program Performance

- A. Monitoring. The Grantee shall monitor performance to assure that time schedules are being met and projected work by time period is being accomplished.
- B. Monthly Reports. The Grantee shall submit to the Grant Administrator monthly performance reports that briefly present the following information:
 1. Percent of completion of the project objectives. This should include a brief outline of

- the work accomplished during the reporting period and the work to be completed during the subsequent reporting period.
2. Brief description of problems or delays, real or anticipated, which should be brought to the attention of the Grant Administrator.
 3. Statement concerning any significant deviation from previously agreed-upon Statement of Work.
- C. A Final Report is required. The Grantee will do the following:
1. Submit three draft copies of the final report no later than November 18, 2010 for review by the Grant Administrator.
 2. After the Grant Administrator has determined the completeness and factual accuracy of the report, the Grantee shall submit three final copies and an electronic copy of the report to the Grant Administrator.
 3. The final report will include the following information:
 - a. A summary of the project implementation plan and any deviations from the original project as proposed.
 - b. Accomplishments and problems experienced while carrying out the project activities.
 - c. Coordinated efforts with other organizations to complete the project.
 - d. Impacts, anticipated and unanticipated, experienced as a result of the project implementation.
 - e. Financial expenditures of grant money and other contributions to the project, in-kind and/or direct funding.
 - f. Any experience in applying the project products and anticipated "next steps".
 - g. Actual Budget expenditures compared to the Budget in this Agreement. Include the basis or reason for any discrepancies.

PART 2 - GENERAL PROVISIONS

2.1 Project Changes

Grantee must obtain prior written approval for major project changes from the Grant administrator.

2.2 Record Retention

The Grantee shall retain all financial records, supporting documents, statistical records, and all other pertinent records for a period of seven (7) years or greater as provided by law following the creation of the records or documents.

2.3 Project Income

To the extent that it can be determined that interest was earned on advances of funds, such interest shall be remitted to the Grantor. All other program income shall either be added to the project budget and used to further eligible program objectives or deducted from the total program budget for the purpose of determining the amount of reimbursable costs. The final determination shall be made by the Grant Administrator.

2.4 Share-in-savings

The Grantor expects to share in any cost savings realized by the Grantee. Therefore, final Grantee reimbursement will be based on actual expenditures. Exceptions to this requirement must be approved in writing by the Grant Administrator.

2.5 Order of Spending

Unless otherwise required, the Grantee shall expend funds in the following order: (1) private or local funds; (2) federal funds; and (3) state funds. Grantee is responsible for securing any required matching funds from sources other than the State.

2.6 Purchase of Equipment

The purchase of equipment not specifically listed in the Budget, Attachment B, must have prior written approval of the Grant Administrator. Equipment is defined as non-expendable personal property having a useful life of more than one year. Such equipment shall be retained by the Grantee unless otherwise specified at the time of approval.

2.7 Accounting

The Grantee shall adhere to the Generally Accepted Accounting Principles and shall maintain records which will allow, at a minimum, for the comparison of actual outlays with budgeted amounts. The Grantee's overall financial management system must ensure effective control over and accountability for all funds received. Accounting records must be supported by source documentation including, but not limited to, balance sheets, general ledgers, time sheets and invoices. The expenditure of state funds shall be reported by line item and compared to the Budget.

2.8 Audit

The Grantee agrees that the State may, upon 24-hour notice, perform an audit and/or monitoring review at Grantee's location(s) to determine if the Grantee is complying with the requirements of the Agreement. The Grantee agrees to cooperate with the State during the audit and/or monitoring review and produce all records and documentation that verifies compliance with the Agreement requirements. The Grantor may require the completion of an audit before final payment.

If the Grantee is a governmental or nonprofit organization and expends the minimum level specified in OMB Circular A-133 (\$500,000 as of June 27, 2003) or more in total federal funds in its fiscal year, then Grantee is required to submit a Single Audit report to all agencies that provided federal funds to the entity during the fiscal year being audited.

If the Grantee is a commercial or for profit organization which is a recipient of Workforce Investment Act Title I funds and expends more than the minimum level specified in Office of Management and Budget (OMB) Circular A-133 (\$500,000 as of June 27, 2003), then the Grantee must have either an organization-wide audit conducted in accordance with A-133 or a program specific financial and compliance audit conducted. Section .320(a) of OMB Circular A-133 states the Single Audit Report must be submitted to the Grantor within thirty (30) days after the completion of the audit, but no later than nine (9) months after the end of the Grantee's fiscal year.

2.9 Competitive Bidding

The Grantee agrees that all procurement transactions involving the use of state funds shall be conducted in a manner that provides maximum open and free competition. When competitive selection is not feasible or practical, the Grantee agrees to obtain the written approval of the Grant Administrator before making a sole source selection. Sole source contracts should be negotiated to the extent that such negotiation is possible.

2.10 Liability

The State is not liable for any costs incurred by the Grantee before the start date or after the end date of this Agreement. Liability of the State is limited to the terms and conditions of this Agreement and the grant amount.

2.11 Intellectual Property

Unless otherwise required by law, all intellectual property developed using funds from this Agreement, including copyright, patent, trademark and trade secret, shall belong to the Grantee.

2.12 Safety

The Grantee, all contractors, and subcontractors are responsible for insuring that all precautions are exercised at all times for the protection of persons and property. Safety provisions of all Applicable Laws and building and construction codes shall be observed. The Grantee, contractors, and every subcontractor are responsible for compliance with all federal, state and local laws and regulations in any manner affecting the work or performance of this Agreement and shall at all times carefully observe and comply with all rules, ordinances, and regulations. The Grantee, all contractors, and subcontractors shall secure all necessary certificates and permits from municipal or other public authorities as may be required in connection with the performance of this Agreement.

2.13 Indemnification

Inasmuch as each party to this grant is a governmental entity of the State of Michigan, each party to this grant must seek its own legal representation and bear its own costs; including judgments, in any litigation which may arise from the performance of this grant. It is specifically understood and agreed that neither party will indemnify the other party in such litigation.

2.14 Cancellation

The State may terminate this Agreement without further liability or penalty to the State, its departments, divisions, agencies, offices, commissions, officers, agents, and employees for any of the following reasons:

A. Termination for Cause:

In the event that Grantee breaches any of its material duties or obligations under this Agreement or poses a serious and imminent threat to the health and safety of any person, or the imminent loss, damage or destruction of any real or tangible personal property, the State may terminate this Agreement immediately in whole or in part, for cause, as of the date specified in the notice of termination. In the event that this Agreement is terminated for cause, in addition to any legal remedies otherwise available to the State by law or equity, Grantee shall be responsible for all costs incurred by the State in terminating this Agreement, including but not limited to, State administrative costs, reasonable attorneys' fees and court costs, and any reasonable additional costs the State may incur.

B. Termination for Convenience:

The State may terminate this Agreement for its convenience, in whole or part, if the State determines that such a termination is in the State's best interest. Reasons for such termination shall be left to the sole discretion of the State and may include, but not necessarily be limited to (a) the State no longer needs the Services or products specified in the Agreement, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the services no longer practical or feasible. The State may terminate this Agreement for its convenience, in whole or in part, by giving Grantee written notice at least thirty (30) days prior to the date of termination. If the

State chooses to terminate this Agreement in part, the Budget shall be equitably adjusted to reflect those reductions.

C. Non-Appropriation:

Grantee acknowledges that continuation of this Agreement is subject to appropriation or availability of funds for this Agreement. If funds to enable the State to effect continued payment under this Agreement are not appropriated or otherwise made available (including the federal government suspending or halting the program or issuing directives preventing the State from continuing the program), the State shall have the right to terminate this Agreement, in whole or in part, at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to Grantee. The State shall give Grantee at least thirty (30) days advance written notice of termination for non-appropriation or unavailability (or such time as is available if the State receives notice of the final decision less than thirty (30) days before the funding cutoff). In the event of a termination under this section, the Grantee shall, unless otherwise directed by the State in writing, immediately take all reasonable steps to terminate its operations and to avoid and/or minimize further expenditures under the Agreement.

D. Criminal Conviction:

The State may terminate this Agreement immediately and without further liability or penalty in the event Grantee, an officer of Grantee, or an owner of a 25% or greater share of Grantee is convicted of a criminal offense incident to the application for, or performance of, a State, public or private contract or subcontract or grant; convicted of a criminal offense, including any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State reflects upon Grantee's business integrity.

E. Approvals Rescinded:

The State may terminate this Agreement without further liability or penalty in the event any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services pursuant to Constitution 1963, Article 11, § 5, and Civil Service Rule 7-1. Termination may be in whole or in part and may be immediate as of the date of the written notice to Grantee or may be effective as of the date stated in such written notice.

2.15 No State Employees or Legislators

No member of the Legislature or Judiciary of the state of Michigan or any individual employed by the State shall be permitted to share in this Agreement, or any benefit that arises from this Agreement.

2.16 Non-Discrimination

In the performance of the Agreement, the Grantee agrees not to discriminate against any employee or applicant for employment, with respect to his or her hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical, or mental disability. Grantee further agrees that every subcontract entered into for the performance of this Agreement will contain a provision requiring non-discrimination in employment, as here specified, binding upon each subcontractor. This covenant is required pursuant to the Elliott Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.* and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, and any breach

of this provision may be regarded as a material breach of the Agreement.

2.17 Unfair Labor Practices

Pursuant to 1980 PA 278, MCL 423.231, *et seq.*, the State shall not award a grant or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled pursuant to section 2 of the Act. This information is compiled by the United States National Labor Relations Board. A Grantee, in relation to the Agreement, shall not enter into a contract with a subcontractor, manufacturer, or supplier whose name appears in this register. Pursuant to section 4 of 1980 PA 278, MCL 423.324, the State may void any Agreement if, subsequent to award of the Agreement, the name of Grantor as an employer or the name of the subcontractor, manufacturer, or supplier of Grantor appears in the register.

2.18 Certification Regarding Debarment

The Grantee certifies, by signature to this Agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this Agreement by any federal or State department or agency. If the Grantee is unable to certify to any portion of this statement, the Grantee shall attach an explanation to this Agreement.

2.19 Illegal Influence

- A. The Grantee certifies, to the best of his or her knowledge and belief that:
1. No federal appropriated funds have been paid nor will be paid, by or on behalf of the Grantee, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan or cooperative agreement.
 2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this grant, the Grantee shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
 3. The Grantee shall require that the language of this certification be included in the award documents for all grants or subcontracts and that all subrecipients shall certify and disclose accordingly.
The State has relied upon this certification as a material representation. Submission of this certification is a prerequisite for entering into this Agreement imposed by 31 USC § 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.
- B. The Grantee certifies, to the best of his or her knowledge and belief that no state funds have been paid nor will be paid, by or on behalf of the Grantee, to any person for influencing or attempting to influence an officer or employee of any State agency, a member of the Legislature, or an employee of a member of the Legislature in connection with the awarding of any state contract, the making of any state grant, the making of any state loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any state contract, grant, loan or

cooperative agreement.

2.20 Governing Law

The Agreement shall in all respects be governed by, and construed in accordance with, the substantive laws of the state of Michigan without regard to any Michigan choice of law rules that would apply the substantive law of any other jurisdiction to the extent not inconsistent with, or pre-empted by federal law.

2.21 Compliance with Laws

Grantee shall comply with all applicable state, federal, and local laws and ordinances (“Applicable Laws”) in performing this Agreement.

2.22 Jurisdiction

Any dispute arising from the Agreement shall be resolved in the state of Michigan. With respect to any claim between the parties, the Grantee consents to venue in Ingham County, Michigan, and irrevocably waives any objections it may have to such jurisdiction on the grounds of lack of personal jurisdiction of such court or the laying of venue of such court or on the basis of forum non conveniences or otherwise. Contractor agrees to appoint agents in the state of Michigan to receive service of process.

2.23 Assignment

Grantee shall not have the right to assign the Agreement, or to assign or delegate any of its duties or obligations under the Agreement, to any other party (whether by operation of law or otherwise), without the prior written consent of the Grantor. Any purported assignment in violation of this section shall be null and void.

2.24 Entire Agreement

The Agreement, including any Attachments, constitutes the entire agreement between the parties with respect to the grant and supersedes all prior agreements, whether written or oral, with respect to such subject matter.

2.25 Independent Contractor Relationship

The relationship between the State and Grantee is that of client and independent Contractor. No agent, employee, or servant of Grantee or any of its Subcontractors shall be or shall be deemed to be an employee, agent or servant of the State for any reason. Grantee will be solely and entirely responsible for its acts and the acts of its agents, employees, servants, and subcontractors during the performance of the Agreement.

2.26 Conflicts

In the event of a conflict between the terms of this Agreement and any federal or state laws or regulations, the federal or state laws or regulations will supersede any contrary term contained in this Agreement.

PART 3 – PROJECT CONTROL AND REPORTS

3.1 Project Control

- A. The selected applicant(s) will carry out the project under review of the Grant Administrator. The Michigan DELEG Grant Administrator shall have final authority over the Agency/Grantee Agreement.
- B. Along with continuous liaison with the selected applicant(s), the Grant Administrator will meet, as needed, with the selected applicant's contact person for the purpose of reviewing progress and providing necessary guidance to the selected applicant(s) in solving problems that arise.
- C. Prior to executing any changes to the scope of the project and/or budget, the selected applicant(s) must inform the Grant Administrator in writing outlining the proposed changes.

3.2 Monitoring and Reporting Program Performance

The selected applicant(s) will be required to assume responsibility for monitoring and reporting.

- A. Monitoring. The selected applicant(s) shall monitor performance to assure that time schedules are being met and projected work by time period is being accomplished.
- B. Monthly Narrative Reports. The selected applicant(s) shall submit monthly narrative reports to the Grant Administrator no later than the 15th of each month. The reports should include the following information at a minimum:
 - 1. Name of selected applicant, grant number, and dates of current reporting period.
 - 2. Percent (%) completion of the project objectives.
 - a. Include a brief outline of the work accomplished during the reporting period and the work to be completed during the subsequent reporting period.
 - b. Explain the type of services provided and the anticipated energy savings as a result of the program.
 - c. Include actual expenditures compared to the budget in the Grant Agreement.
 - 3. Noteworthy Accomplishments.
 - 4. Brief description of problems or delays, real or anticipated, which should be brought to the attention of the Grant Administrator.
 - 5. Statement concerning any significant deviation from previously agreed-upon Work Statement, Part 3.
- C. Financial Status Reports (FSR) and/or Payment Requests. The selected applicant(s) will be required to submit expenditure reports to the Grant Administrator indicating the amount of funds expended in each line item category of the budget and outstanding authorizations. Financial status reports are due the 15th of each month. Payment requests will be submitted as needed.

1. Attach source documentation as specified in Part 2, Section 2.7, Accounting.
2. The expenditure of State funds shall be incurred within the grant period and reported by line item and compared to the budget.
3. In-kind or matched fund expenditures must occur within the established timeline for this grant and must be supported by source documentation, as specified in Part 2, Section 2.7, Accounting.

D. Final Narrative Report. The selected applicant(s) will do the following:

1. Submit a draft of the final report no later than October 30, 2011.
2. After the Grant Administrator has determined the completeness and factual accuracy of the report, the selected applicant(s) shall submit a final copy of the report to the Grant Administrator.
3. The final report shall include the following information at a minimum:
 - a. Name of selected applicant, grant number, and dates of final reporting period.
 - b. Percent (%) completion of the project objectives.
 - c. A summary of the project implementation plan and any deviations from the original plan as proposed.
 - d. The total estimated amount of energy savings for the year, and the basis for the estimation.
 - e. Project evaluation including the impact of the proposed project on energy efficiency, the economy of Michigan, and the use of energy efficient technologies.
 - f. Accomplishments and problems experienced while carrying out project activities.
 - g. Coordinated efforts with other organizations to complete the project.
 - h. Impacts, anticipated and unanticipated, experienced as a result of project implementation.
 - i. Financial expenditures of grant money and other contributions to the project, in-kind or matched funds, and/or direct funding.
 - j. Any experience in applying the project products and anticipated "next steps."
 - k. Actual expenditures compared to the budget in the Grant Agreement, including in-kind or matched funds. Include the basis or reason for any discrepancies.

E. Final Financial Status Report (FSR)/Final Payment Request. The selected applicant(s) shall submit a signed and dated final FSR to the Grant Administrator indicating the amount of funds expended in each line item category of the budget along with the final report by October 30, 2011.

1. Attach source documentation as specified in Part 2, Section 2.7, Accounting.
2. The expenditure of State funds shall be incurred within the grant period and reported by line item and compared to the budget.
3. In-kind or matched fund expenditures must occur within the established timeline for this grant and must be supported by source documentation, as specified in Part 2, Section 2.7, Accounting.

PART 4 – PROJECT APPLICATION

Applicants with multiple projects must complete Attachment #3 (Energy Conservation Measures Worksheet)

Please print with black ink or type all information.

SECTION I. CONTACT INFORMATION			
1. NAME AND TITLE			
2. DEPARTMENT			
3. DIVISION / BUREAU / OFFICE			
4. MAILING ADDRESS (number and street)			P.O. BOX (if applicable)
CITY	STATE		ZIP CODE
5. TELEPHONE NUMBER (include area code)		6. FAX NUMBER (include area code)	
7. E-MAIL ADDRESS (if available)		8. WEB SITE ADDRESS (if available)	
9. RETAP AUDIT COMPLETED?	10. REBUILD MI AUDIT COMPLETED?	11. THIRD PARTY ENERGY AUDIT?	
SECTION II. GENERAL PROJECT INFORMATION			
1. PROJECT CODE		2. PROJECT TITLE	
3. PROGRAM ADMINISTERING PROJECT			
4. PROJECT START DATE		ESTIMATED PROJECT COMPLETION DATE	
5. PROJECT DESIGN COMPLETION DATE	FINANCIAL ANALYSIS COMPLETION DATE	CONTRACT SIGNATURE DATE	
6. PROJECT ADDRESS (if different from mailing address above)			
CITY		COUNTY	ZIP CODE
7. PROJECT CONTACT (if different from Section I, subsection 1 above)			
PROJECT CONTACT TITLE			E-MAIL ADDRESS (if available)
TELEPHONE NUMBER (include area code)			FAX NUMBER (include area code)
8. IF ALL CORRESPONDENCE IS TO GO TO THE PROJECT CONTACT, CHECK THIS BOX			<input type="checkbox"/>
9. FACILITY SQUARE FOOTAGE	No. OCCUPANT	ANNUAL ENERGY USAGE Elect (kWh):	Gas (ccf): Other
SECTION III. PROJECT FINANCIAL INFORMATION			
1. TOTAL PROJECT COST \$		2. PERFORMANCE CONTRACT <input type="checkbox"/> YES <input type="checkbox"/> NO	
3. TOTAL ARRA FUNDING REQUEST \$		ARRA FUNDING SOURCE State Energy Program Funds	
4. DOES ARRA FUNDING SUPPLANT OTHER FEDERAL OR STATE FUNDING – EXPLAIN IF YES			
5. PRIVATE FUNDING ANTICIPATED	OTHER FEDERAL FUNDING ANTICIPATED	OTHER STATE FUNDING ANTICIPATED	
6. WILL OTHER STATE OF MICHIGAN COMPETITIVE GRANT FUNDING BE UTILIZED? <input type="checkbox"/> YES <input type="checkbox"/> NO			

PART 4 – PROJECT APPLICATION – Continued

SECTION IV. PROJECT DESCRIPTION		
<p>Project description and critical objectives:</p> <hr/> <hr/>		
<p>Primary energy efficiency focus and percent of total project cost:</p> <hr/>		
<p>Toxic/hazardous material generation and increased risks to human health or the environment:</p> <hr/>		
SECTION V. PROJECT IMPACTS - IF KNOWN		
1. PERMANENT DIRECT JOBS TO BE CREATED	2. PERMANENT INDIRECT JOBS TO BE CREATED	
3. PERMANENT DIRECT JOBS TO BE PRESERVED	4. PERMANENT INDIRECT JOBS TO BE PRESERVED	
5. TOTAL ANTICIPATED ANNUAL DOLLAR SAVINGS TO BE REALIZED ON PROJECT COMPLETION		
6. TOTAL ADDITIONAL RENEWABLE ENERGY (give units)	PERCENT INCREASE ON-SITE	DOLLAR VALUE
7. TOTAL ENERGY USAGE REDUCTION (give units)	PERCENT DECREASE ON-SITE	DOLLAR VALUE
8. TOTAL TRANSPORTATION FUEL USAGE REDUCTION (give units)	PERCENT DECREASE IN USAGE	DOLLAR VALUE
9. TOTAL TOXIC MATERIAL USAGE REDUCTION (give units)	PERCENT DECREASE ON-SITE	DOLLAR VALUE
10. TOTAL MATERIAL USAGE REDUCTION (give units)	PERCENT DECREASE ON-SITE	DOLLAR VALUE
11. TOTAL WATER USAGE REDUCTION (give units)	PERCENT DECREASE ON-SITE	DOLLAR VALUE
12. TOTAL ONSITE POLLUTANT DISCHARGE REDUCTION (give units)	PERCENT DECREASE ON-SITE	DOLLAR VALUE
13. TOTAL WASTE DISPOSAL REDUCTION (give units)	PERCENT DECREASE ON-SITE	DOLLAR VALUE
14. TOTAL GREENHOUSE GAS REDUCTION (use equivalent tons)	PERCENT DECREASE ON-SITE	DOLLAR VALUE
15. QUANTIFY ANY ADDITIONAL DIRECT ENVIRONMENTAL OR HEALTH & SAFETY IMPACTS OF THE PROJECT IF KNOWN		
16. DESCRIBE ANY OPERATIONAL EFFICIENCIES ANTICIPATED FOR STATE GOVERNMENT		
17. DESCRIBE ANY ONGOING WORK AND IMPACTS TO CONTINUE AFTER COMPLETION OF THE PROJECT		
18. IS THE PROJECT IMPLEMENTING PROPRIETARY TECHNOLOGY OR PRACTICES?		
<input type="checkbox"/> YES <input type="checkbox"/> NO		

PART 4 – PROJECT APPLICATION – Continued

SECTION VI. PROJECT MEASUREMENT AND REPORTING

Define project success:

Detail mechanisms to measure and quantify cost, energy, environmental, and other anticipated for the project:

Detail project evaluation:

Explain how project impacts will be reported to the DELEG:

Detail long range plans for the facility:

PART 4 – PROJECT APPLICATION INSTRUCTIONS

Applicants with multiple projects must complete Energy Conservation Measures Worksheet

SECTION I. CONTACT INFORMATION	
1. NAME AND TITLE	Enter the full name and title of the person with authority to accept funding for the project.
2. DEPARTMENT	Enter the full name of the department applying for the funding.
3. DIVISION / BUREAU / OFFICE	Enter the full name of the division, bureau, or office applying for the funding.
4. MAILING ADDRESS	Enter the mailing address including city, state, and zip code. Enter a post office box number if applicable. <u>All</u> correspondence will be sent to the person with authority to accept funding at this address <u>unless</u> noted below.
5. TELEPHONE NUMBER	Enter the telephone number, including the area code, of the person with authority to accept funding.
6. FAX NUMBER	Enter the fax number, including the area code, of the person with authority to accept funding.
7. E-MAIL ADDRESS	Enter the E-mail address of the person with authority to accept funding.
8. WEBSITE ADDRESS	Enter the website address of the division, bureau, or office applying for the funding.
9. RETAP AUDIT COMPLETED?	Check the YES or NO box as appropriate if a Retired Engineer Technical Assistance Program (RETAP) audit was completed in reference to the proposed project. If YES, then please provide the date of the audit report.
10. REBUILD MI AUDIT COMPLETED?	Check the YES or NO box as appropriate if a Rebuild Michigan audit was completed in reference to the proposed project. If YES, then please provide the date of audit report.
11. IF THIRD PARTY ENERGY AUDIT?	If an energy audit was completed in reference to the proposed project (other than RETAP or Rebuild Michigan), then enter the name of the organization which conducted the audit (e.g. DTE, Consumers Energy, etc.) and date completed. Note: BES may request a copy of the energy audit report.
SECTION II. GENERAL PROJECT INFORMATION	
1. PROJECT CODE	Enter a project code for tracking purposes. The Agency Code for the project used on the ARRA State Green Project Template is preferable.
2. PROJECT TITLE	Enter the title of the project. The title used on the ARRA State Green Project Template is

preferable.
3. PROGRAM ADMINISTERING PROJECT Enter the name of the program directly administering the project on a daily basis and responsible for overseeing completion of the work.
4. PROJECT START DATE AND ESTIMATED PROJECT COMPLETION DATE Enter the estimated start and completion dates (month/day/year) of the project.
5. PROJECT DESIGN COMPLETION DATE; FINANCIAL ANALYSIS COMPLETION DATE; CONTRACT SIGNATURE DATE Enter the date the project design was or will be completed. Enter the date the financial analysis for the project was or will be completed for the project. Enter the anticipated date the project contract will be signed.
6. PROJECT ADDRESS Enter the address or location the project will take place including city, county, and zip code (if different from mailing address in Section I above). If a street address is not available, enter other appropriate identifiers that describe the physical location of the project. A post office box number is not acceptable for the location.
7. PROJECT CONTACT If the person with authority to accept funding for the project (as provided in Section 1, subsection 1) is not the contact for the project, then enter the full name, title, E-mail address, telephone number, and fax number of the project contact.
8. IF ALL CORRESPONDENCE IS TO GO TO THE PROJECT CONTACT, THEN CHECK THE BOX PROVIDED
9. FACILITY SQUARE FOOTAGE; No. OCCUPANTS; TOTAL ENERGY USAGE Enter the square footage of the facility impacted by the proposed project, the current number of occupants (i.e. persons) at the facility, and the annual electricity, natural gas, and other energy usages for the facility.

SECTION III. PROJECT FINANCIAL INFORMATION
1. TOTAL PROJECT COST Enter the total cost of the project.
2. PERFORMANCE CONTRACT Check the YES or NO box as appropriate if the project will utilize a performance contract.
3. TOTAL ARRA FUNDING REQUEST and ARRA FUNDING SOURCE Enter the total ARRA funding requested for the project and the ARRA funding source.
4.. DOES ARRA FUNDING SUPPLANT OTHER FEDERAL OR STATE FUNDING – EXPLAIN IF YES Enter YES or NO if the requested ARRA funding supplants other federal or state funding allocated to the project. If YES, then explain why ARRA funding is being requested. Note: A project is ineligible if it supplants federal or state funding.
5. PRIVATE FUNDING ANTICIPATED; OTHER FEDERAL FUNDING ANTICIPATED; and OTHER STATE FUNDING ANTICIPATED Enter the dollar amount of private funding dedicated or anticipated for the project.

Enter the dollar amount of (non – ARRA) federal funding dedicated or anticipated for the project.
Enter the dollar amount of (non – ARRA) state funding dedicated or anticipated for the project.

6. WILL OTHER STATE OF MICHIGAN COMPETITIVE GRANT FUNDING BE UTILIZED?

Check the YES or NO box as appropriate if the project will utilize other State of Michigan competitive grant funds.

SECTION IV. PROJECT DESCRIPTION

This section requires a description of the project, its critical objectives, and the energy related focus of the project.

PROJECT DESCRIPTION AND CRITICAL OBJECTIVES

Concisely explain the project, and how this project will result in job creation, renewable energy generation, enhanced energy efficiency, reduced waste / pollutant generation (on-site), or other environmental, worker safety, operational efficiency, etc. benefits.

Concisely describe the critical objectives to be achieved by the project.

PRIMARY ENERGY EFFICIENCY FOCUS AND PERCENT OF TOTAL PROJECT COST

Concisely explain the energy efficiency focus of the project.

Provide a percent estimate of the total project cost associated with the energy efficiency focus of the project.

TOXIC/HAZARDOUS MATERIAL GENERATION AND INCREASED RISKS TO HUMAN HEALTH OR THE ENVIRONMENT

Concisely explain what if any toxic or hazardous materials will be generated by the project and/or any increased risks to human health or the environment resulting from the project.

SECTION V. PROJECT IMPACTS – IF KNOWN

This section requires estimates on the anticipated impacts or quantified outcomes of the project. Enter “NA” if the impact is not applicable to the project. Enter “Unknown” if the impact is anticipated but can not be estimated at this time.

1. PERMANENT DIRECT JOBS TO BE CREATED

Enter the number of permanent jobs to be directly created by the project.

2. PERMANENT INDIRECT JOBS TO BE CREATED

Enter the number of permanent indirect jobs to be created by the project.

3. PERMANENT DIRECT JOBS TO BE PRESERVED

Enter the number of permanent jobs to be directly preserved by the project.

4. PERMANENT INDIRECT JOBS TO BE PRESERVED

Enter the number of permanent indirect jobs to be preserved by the project.

5. TOTAL ANTICIPATED ANNUAL DOLLAR SAVINGS TO BE REALIZED ON PROJECT COMPLETION

Enter the total dollar savings anticipated per year on completion of the project.

<p>6. TOTAL ADDITIONAL RENEWABLE ENERGY; PERCENT INCREASE ON-SITE; DOLLAR VALUE</p> <p>Enter the annual amount of new or additional renewable energy (installed capacity and generation) on completion of the project, the percent increase this represents onsite (based on generation amount), and the associated dollar value of this additional generation at current rates. Be sure to include the units (e.g. kWh, BTU, CCF, etc.) for the renewable energy generation amount. Enter "New" for the percent increase on-site if no prior renewable energy generation.</p>
<p>7. TOTAL ENERGY USAGE REDUCTION; PERCENT DECREASE ON-SITE; DOLLAR VALUE</p> <p>Enter the annual amount of energy usage to be reduced on completion of the project, the percent decrease this represents onsite, and the associated dollar value of this reduction at current rates. Be sure to include the units (e.g. kWh, BTU, CCF, etc.) for the energy usage reduction amount.</p>
<p>8. TOTAL TRANSPORTATION FUEL USAGE REDUCTION; PERCENT DECREASE IN USAGE; DOLLAR VALUE</p> <p>Enter the annual amount and type of transportation fuel usage to be reduced on completion of the project, the percent decrease in usage this represents, and the associated dollar value of this reduction at current rates. Be sure to include the units (e.g. gallons) for the transportation fuel usage reduction amount.</p>
<p>9. TOTAL TOXIC MATERIAL USAGE REDUCTION; PERCENT DECREASE ON-SITE; DOLLAR VALUE</p> <p>Enter the annual amount of toxic material usage to be reduced on completion of the project, the percent decrease in usage this represents on-site, and the associated dollar value of this reduction at current rates. Be sure to include the units (e.g. pounds, gallons, etc.) for the toxic material usage reduction amount.</p>
<p>10. TOTAL MATERIAL USAGE REDUCTION; PERCENT DECREASE ON-SITE; DOLLAR VALUE</p> <p>Enter the annual amount of material usage to be reduced on completion of the project, the percent decrease in usage this represents on-site, and the associated dollar value of this reduction at current rates. Be sure to include the units (e.g. pounds, gallons, etc.) for the material usage reduction amount.</p>
<p>11. TOTAL WATER USAGE REDUCTION; PERCENT DECREASE ON-SITE; DOLLAR VALUE</p> <p>Enter the annual amount of water usage to be reduced on completion of the project, the percent decrease in usage this represents on-site, and the associated dollar value of this reduction at current rates. Be sure to include the units (e.g. gallons, CCF, etc.) for the water usage reduction amount.</p>
<p>12. TOTAL ONSITE POLLUTANT DISCHARGE REDUCTION; PERCENT DECREASE ON-SITE; DOLLAR VALUE</p> <p>Enter the annual reduction in pollutant discharges (e.g. water discharges, air emissions, etc.) to be achieved on completion of the project, the percent decrease in discharges this represents on-site, and the associated dollar value of this reduction at current rates. Be sure to include the units (e.g. pounds, tons, etc.) for the pollutant discharge reduction amount. See 14 below for Greenhouse Gas emissions.</p>

13. TOTAL WASTE DISPOSAL REDUCTION; PERCENT DECREASE ON-SITE; DOLLAR VALUE

Enter the annual reduction in waste disposal (e.g. solid waste, liquid waste, etc.) to be achieved on completion of the project, the percent decrease in disposal this represents on-site, and the associated dollar value of this reduction at current rates. Be sure to include the units (e.g. pounds, tons, gallons, etc.) for the waste disposal reduction amount.

14. TOTAL GREENHOUSE GAS REDUCTION; PERCENT DECREASE ON-SITE; DOLLAR VALUE

Enter the annual reduction in Greenhouse Gas emissions to be achieved on completion of the project, the percent decrease in emissions this represents, and the associated dollar value of this reduction at current rates. Be sure to use equivalent metric tons (or pounds) for the Greenhouse Gas reduction amount.

15. QUANTIFY ANY ADDITIONAL DIRECT ENVIRONMENTAL OR HEALTH & SAFETY IMPACTS OF THE PROJECT

Quantify any additional direct environmental, health and safety, or other known beneficial impacts of the project described in Section IV above. Be sure to include the units with any amounts given and appropriate descriptors as necessary to understand the given impacts.

16. DESCRIBE ANY OPERATIONAL EFFICIENCIES ANTICIPATED FOR STATE GOVERNMENT

Describe and quantify to the fullest extent possible any operational efficiencies anticipated for state government on completion of the project.

17. DESCRIBE ANY ONGOING WORK AND IMPACTS TO CONTINUE AFTER COMPLETION OF THE PROJECT

Concisely describe any ongoing work and impacts to continue after completion of the project, and the funding source for this work.

18. IS THE PROJECT IMPLEMENTING PROPRIETARY TECHNOLOGY OR PRACTICES?

Check the YES or NO box as appropriate if the project is implementing proprietary or confidential technology or practices that prohibits the collection or transferability of project data to other state agencies or other parties.

SECTION VI. PROJECT MEASUREMENT AND REPORTING

This section requires a brief description of the measurement and reporting requirements of the project impacts.

DEFINE PROJECT SUCCESS

Define project success or that which will constitute a successful project.

DETAIL MECHANISM TO MEASURE AND QUANTIFY COST, ENERGY, ENVIRONMENTAL, AND OTHER IMPACTS ANTICIPATED FOR THE PROJECT:

Detail how the cost, energy, environmental, and any other significant impacts anticipated for the project will be measured and tracked. Indicate if a baseline will be determined prior to implementing the project for purposes of quantifying project impacts.

DETAIL PROJECT EVALUATION

Describe how an evaluation of the project will be conducted to determine project impacts and success.

EXPLAIN HOW PROJECT IMPACTS WILL BE REPORTED TO THE DELEG;

Detail how the impacts and overall success of the project will be used, disseminated, and submitted to the Department of Energy, Labor & Economic Growth (DELEG).

DETAIL LONG RANGE PLANS FOR THE FACILITY

Describe the long range plans for the facility including anticipated dates for ownership transfer and/or closure.

PART 5 - SCORING CRITERIA

All proposals received shall be subject to an evaluation by the Bureau of Energy Systems. The evaluation will be conducted to select an eligible applicant to perform the proposed grant project within the established timeline. Initial screening of the applications will be conducted to insure applicants and projects meet all eligibility requirements.

Proposals failing to meet the eligibility requirements described in Part 1, 1.5 through 1.9 and the requirements of the Addendum to the General Provisions – Part 2 will be rejected automatically. Proposals meeting the eligibility requirements will be evaluated according to the scoring criteria below.

Total points equal 100.

1. Complete Application Submittal (10 points):

- A. All fields of the application must be completed. (10 pts)

2. Project Feasibility and Benefits (30 points):

- A. Details on ability to reduce energy usage (use appropriate units i.e.: kWh/year, BTUs/year, etc). (10 pts)
- B. Details on the reduced consumption of energy (use appropriate units i.e.: kWh/year, BTUs/year, gallons/year, ccf/year, etc). (10 pts)
- C. Environmental and or cost benefits. (5 pts)
- D. Feasibility of the proposed technology to achieve energy savings. (5 pts)

3. Energy and Cost Savings (30 points):

- A. The magnitude of energy savings must be greater than 20%. (20 pts)
- B. Annual energy cost savings (i.e. utility bills, metering devices, other). (10 pts)

4. Project Costs and Financial Investment (15 points):

- A. Percent match of State Energy Program dollars (0.15 multiplied by percent match). (15 pts)

5. Job Creation/Retention (10 points):

- A. Describe any job creation during the implementation stage, and/or job retention after project completion. (5 pts)
- B. Describe any other economic benefits. (5 pts)

6. Environmental, Health, and Safety Improvements (5 points):

- A. Detail the potential reductions of greenhouse gas emissions (GHG). (5 pts)

Addendum I to Part 2 – General Provisions

SOLICITATION & AWARD TERMS FOR GRANT AGREEMENTS THAT INCLUDE FUNDS UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009, PUBLIC LAW 111-5

Grant Agreements must require recipients and sub-recipients to:

- 1. Maintain current registrations in the Central Contractor Registration (CCR) database. <http://www.ccr.gov/>**
- 2. Report quarterly on project activity status in addition to any reporting requirements that currently apply to recipients of federal funds**
- 3. Follow Buy American guidelines (Sec. 1605 of ARRA Act and Sec. 5.020 of this document)**
- 4. Implement wage rate requirements (Sec. 1606 of ARRA Act and Sec. 5.030 of this document)**
- 5. Ensure proper accounting and reporting of Recovery Act expenditures in Single Audits.**

Terms and Conditions for American Recovery and Reinvestment (ARRA) of 2009 Funded Grants

5.000 Sub-Recipients Requirements

Grantee shall include these terms, including this requirement, in any of its subcontracts or subgrants in connection with projects funded in whole or in part with funds available under the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5.

5.010 Reporting & Registration Requirements (Section 1512)

Division A, Title XV, Section 1512 of the ARRA outlines reporting requirements. Not later than five calendar days after the end of each calendar quarter, the State must submit a report that, at a minimum, contains the information specified in Section 1512 of the ARRA. It is imperative all grants involving the use of ARRA funds include requirements that the Grantee supply the State with the necessary information to provide these reports (see RFP Section 1.042 Reports) in a timely manner. More detail will follow regarding the timing and submission of reports.

The Grantee's failure to provide complete, accurate, and timely reports shall constitute an "Event of Default". Upon the occurrence of an Event of Default, the state department or agency may terminate this grant upon 30 days prior written notice if the default remains uncured within five calendar days following the last day of the calendar quarter, in addition to any other remedy available to the state department or agency in law or equity.

5.020 Buy American Requirement (Section 1605)

5.022 REQUIRED Use of American Iron, Steel, and Other Manufactured Goods

(a) **Definitions.** As used in this Section 5.020 —

"Designated country" means Aruba, Australia, Austria, Belgium, Bulgaria, Chile, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea (Republic of), Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, and United Kingdom.

"Designated country iron, steel, and/or manufactured goods" mean iron, steel and/or a manufactured good that:

- (1) Is wholly the growth, product or manufacture of a designated country; or
- (2) In the case of a manufactured good that consists in whole or in part of materials from another country, has been substantially transformed in a designated county into a new and different manufactured good distinct from the materials from which it was transformed.

"Domestic iron, steel and/or manufactured good" is iron, steel and/or a manufactured good that:

- (1) Is wholly the growth, product or manufacture of the United States; or
 - (2) In the case of a manufactured good that consists in whole or in part of materials from another county, has been substantially transformed in the United States into a new and different manufactured good distinct from the materials from which it was transformed.
- There in no requirement with regard to the origin of components or subcomponents in manufactured goods or products, as long as the manufacture of goods occurs in the United States.

"Federal Agency" means the department or agency of the federal government that awarded funds to the State of Michigan from the ARRA that finance the project described in this RFP.

"Foreign iron, steel and/or manufactured good" means iron, steel and/or manufactured good

that is not domestic or designated country iron, steel and/or manufactured goods.

“Manufactured good” means a good brought to the construction site for incorporation into the building or work that has been--

(1) Processed into a specific form and shape; or

(2) Combined with other raw material to create a material that has different properties than the properties of the individual raw materials.

“Public building” and “public work” means a public building of, and a public work of, a governmental entity (the United States; the District of Columbia; commonwealths, territories, and minor outlying islands of the United States; State and local governments; and multi-State, regional, or interstate entities which have governmental functions). These buildings and works may include, without limitation, bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, power lines, pumping stations, heavy generators, railways, airports, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, and canals, and the construction, alteration, maintenance, or repair of such buildings and works.

“Steel” means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

(b) *Domestic preference.*

(1) This term and condition implements:

(i) Section 1605(a) of Division A, Title XVI of the ARRA by requiring that all iron, steel, and manufactured goods used in the public building or public work are produced in the United States; and

(ii) Section 1605(d) of Division A, Title XVI of the ARRA, which requires the application of the Buy American requirement in a manner consistent with U.S. obligations under international agreements. The restrictions of Section 1605 of the ARRA do not apply to designated country iron, steel, and/or manufactured goods procured for projects with an estimated value of \$7,433,000 or more.

(2) The Grantee shall use only domestic or designated country iron, steel and/or manufactured goods in performing work funded in whole or in part with funds available under the ARRA, except as provided in subparagraphs (3) and (4) of this paragraph (b).

(3) The requirement in paragraph (2) of this Section 5.022(b) does not apply to the material listed by the Federal Agency as follows:

[List applicable excepted materials or indicate “none”]

(4) The Federal Agency may add other iron, steel, and/or manufactured goods to the list in paragraph (b) (3) of this Section if the Federal government determines that—

(i) The cost of the domestic iron, steel, and/or manufactured goods would be unreasonable. The cost of domestic iron, steel, or manufactured goods used in the project is unreasonable when the cumulative cost of such material will increase the cost of the overall project by more than 25 percent;

(ii) The iron, steel, and/or manufactured good is not produced, or manufactured in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or

(iii) The application of section 1605 of the ARRA would be inconsistent with the public interest.

(c) *Request for determination of inapplicability of Section 1605 of the ARRA.*

(1)(i) Any Bidder’s request to use foreign iron, steel, and/or manufactured goods in accordance with paragraph (b) (4) of this Section shall include adequate information for Federal Agency evaluation of the request, including—

(A) A description of the foreign and domestic iron, steel, and/or manufactured goods;

(B) Unit of measure;

(C) Quantity;

(D) Cost;

(E) Time of delivery or availability;

- (F) Location of the project;
 - (G) Name and address of the proposed supplier; and
 - (H) A detailed justification of the reason for use of foreign iron, steel, and/or manufactured goods cited in accordance with paragraph (b)(3) of this term and condition.
- (ii) A request based on unreasonable cost shall include a reasonable survey of the market and a completed cost comparison table in the format in paragraph (d) of this Section.
 - (iii) The cost of iron, steel, and/or manufactured goods material shall include all delivery costs to the construction site and any applicable duty.
 - (iv) Any Grantee's request for a determination submitted after ARRA funds have been obligated for a project for construction, alteration, maintenance, or repair shall explain why the Grantee could not reasonably foresee the need for such determination and could not have requested the determination before the funds were obligated. If the Grantee does not submit a satisfactory explanation, the Federal Agency need not make a determination.

(2) If the Federal Agency determines after funds have been obligated for a project for construction, alteration, maintenance, or repair that an exception to section 1605 of the ARRA applies, the State will amend the grant to allow use of the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is nonavailability or public interest, the amended grant shall reflect adjustment of the grant amount, redistribution of budgeted funds, and/or other actions taken to cover costs associated with acquiring or using the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is the unreasonable cost of the domestic iron, steel, or manufactured goods, the State shall adjust the award amount or redistribute budgeted funds by at least the differential established in 2 CFR 176.110(a).

(3) Unless the Federal Agency determines that an exception to section 1605 of the ARRA applies, use of foreign iron, steel, and/or manufactured goods is noncompliant with section 1605 of the American Recovery and Reinvestment Act.

(d) **Data.** To permit evaluation of requests under subparagraph (b)(4) of this Section based on unreasonable cost, the Bidder shall include the following information and any applicable supporting data based on the survey of suppliers:

FOREIGN AND DOMESTIC ITEMS COST COMPARISON				
Description	Unit of Measure	Quantity	Cost (Dollars)*	
Item 1:				
Foreign steel, iron, or manufactured good	_____	_____	_____	
Domestic steel, iron, or manufactured good	_____	_____	_____	
Item 2:				
Foreign steel, iron, or manufactured good	_____	_____	_____	
Domestic steel, iron, or manufactured good				
<p>[List name, address, telephone number, email address, and contact for suppliers surveyed. Attach copy of response; if oral, attach summary.] [Include other applicable supporting information.] [* Include all delivery costs to the construction site.]</p>				

5.024 Notice of Required Use of American Iron, Steel, and Other Manufactured Goods

REQUIRED USE OF AMERICAN IRON, STEEL, AND MANUFACTURED GOODS— SECTION 1605 OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

(a) Definitions. “Designated country iron, steel and/or manufactured goods,” “domestic iron, steel and/or manufactured goods,” “Federal Agency,” “Foreign iron, steel and/or manufactured good,” “Manufactured good,” “public building and public work,” and “steel,” as used in this Section, are defined in Section 5.022(a).

(b) **Requests for determinations of inapplicability.** A prospective Bidder requesting a determination regarding the inapplicability of section 1605 of the ARRA should submit the request to the Federal Agency in time to allow a determination before submission of applications or proposals. Bidders should provide a copy of this request to DELEG. The prospective applicant shall include the information and applicable supporting data required by paragraphs (c) and (d) of Section 5.022 of this RFP in the request. If Bidder has not requested a determination regarding the inapplicability of Section 1605 of the ARRA before submitting its application or proposal, or has not received a response to a previous request, the applicant shall include the information and supporting data in the application or proposal. The Federal Agency is sole entity authorized to make determinations regarding the inapplicability of Section 1605 of the ARRA.

(c) *Evaluation of project proposals.*

If the Federal Agency determines that an exception based on unreasonable cost of domestic iron, steel, and/or manufactured goods applies, the State will evaluate a project requesting an exception to the requirements of section 1605 of the ARRA by adding to the estimated total cost of the project 25 percent of the project cost, if foreign iron, steel, or manufactured goods are used in the project based on unreasonable cost of comparable manufactured domestic iron, steel, and/or manufactured goods.

(d) Alternate project proposals.

(1) When a project proposal includes foreign iron, steel, and/or manufactured goods, other than designated country iron, steel and/or manufactured goods, not listed in paragraph (b)(3) of the Section 6.022, the Bidder also may submit an alternate proposal based on use of equivalent domestic iron, steel, and/or manufactured goods.

(2) If an alternate proposal is submitted, the Bidder shall submit a separate cost comparison table prepared in accordance with paragraphs (c) and (d) of Section 5.022 of this RFP for the proposal that is based on the use of any foreign iron, steel, and/or manufactured goods for which the Federal Agency has not yet determined an exception applies.

(3) If the Federal Agency determines that a particular exception requested in accordance with paragraph (b) of Section 5.022 of this RFP does not apply, the State will evaluate only those proposals based on use of the equivalent domestic or designated country iron, steel, and/or manufactured goods, and the Grantee shall be required to furnish such domestic or designated country items.

5.030 Wage Rate Requirements (Section 1606)

All laborers and mechanics employed by grantees, subgrantees, contractors and subcontractors on projects funded in whole or in part with funds available under the ARRA shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality, as determined by the United States Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40 of the United States Code. (See ARRA Sec. 1606 & RFP Section 2.204 Prevailing Wage). The Secretary of Labor’s determination regarding the prevailing wages applicable in Michigan is available at <http://www.gpo.gov/davisbacon/mi.html>.

5.040 Inspection & Audit of Records

The Grantee shall permit the United States Comptroller General or his representative or the appropriate inspector general appointed under section 3 or 8G of the Inspector General Act of 1998 or his representative (1) to examine any records that directly pertain to, and involve transactions relating to, this grant; and (2) to interview any officer or employee of the Grantee or any of its subcontractors/subgrantees regarding the activities funded with funds appropriated or otherwise made available by the ARRA.

5.050 Whistle Blower Protection for Recipients of Funds

Grantee shall not discharge, demote or otherwise discriminate against an employee for disclosures by the employee that the employee reasonably believes are evidence of: (1) gross mismanagement of a contract or grant relating to Covered Funds; (2) a gross waste of Covered Funds; (3) a substantial and specific danger to public health or safety related to the implementation or use of Covered Funds; an abuse of authority related to implementation or use of Covered Funds; or (5) a violation of law, rule, or regulation related to an agency grant (including the competition for or negotiation of a grant) or grant, awarded or issued relating to Covered Funds. In this Subsection, "Covered Funds" shall have the same meaning as set forth in Section 1553(g)(2) of Division A, Title XV of the ARRA.

(a) Recipient must post notice of the rights and remedies available to employees under Section 1553 of Division A, Title XV of the ARRA. (For the Michigan Civil Service Whistle Blowers Rule 2-10 link to: http://www.michigan.gov/mdcs/0,1607,7-147-6877_8155-72500--,00.html)

(b) The Grantee shall include the substance of this clause including this paragraph (b) in all subcontracts and subgrants.

5.060 Funding of Programs

The Grantee acknowledges that the programs supported with temporary federal funds made available by the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, will not be continued with state financed appropriations once the temporary federal funds are expended.

5.070 Fixed Price- Competitively Bid

Grantee, to the maximum extent possible, shall award any subgrants or subcontracts funded, in whole or in part, with ARRA funds as fixed-price contracts through the use of competitive procedures.

5.080 Segregation of Costs

Grantee shall segregate obligations and expenditures of ARRA funds from other funding. No part of funds made available under the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, may be comingled with any other funds or used for a purpose other than that of making payments for costs allowable under the ARRA.

5.090 Publication

All grant solicitations funded in whole or in part with ARRA funds will be posted on the respective DELEG bureau website. All grants resulting from the ARRA will be published on the State of Michigan's Recovery Web site, www.michigan.gov/recovery.

Grantee shall include the Michigan Recovery logo on all signage or other publications in connection with the activities funded by the State of Michigan through funds made available by the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5.

5.100 Buy Michigan Preference

A preference is given to products manufactured or services offered by Michigan-based firms if all other things are equal and if not inconsistent with federal statute (see MCL 18.1261).

5.110 Non- Discrimination

The Grantee shall comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, and other civil rights laws applicable to recipients of Federal financial assistance (see RFP Section 2.201 Non-Discrimination).

5.120 Prohibition on Use of Funds

None of the funds made available under this grant may be used for any casino or other gambling establishment, aquarium, zoo, golf course, swimming pools, or similar projects.

5.130 False Claims Act

The Grantee shall promptly refer to an appropriate federal inspector general any credible evidence that a principal, employee, agent, contractor, sub-grantee, subcontractor or other person has committed a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving those funds.

5.140 Conflicting Requirements

Where ARRA requirements conflict with existing state requirements, ARRA requirements control.

5.150 Job Opportunity Posting Requirements

Grantee shall post notice of job opportunities created in connection with activities funded in whole or in part with ARRA funds in the Michigan Talent Bank, www.michworks.org/mtb.

ADDENDUM II TO PART 2 – GENERAL PROVISIONS

5.020.1 Buy American Requirement (Section 1605)

-Designated country means:

- (1) A World Trade Organization Government Procurement Agreement country,
- (2) A Free Trade Agreement (FTA) country, or
- (3) A United States-European Communities Exchange of Letters country

Countries not in the Addendum to Part 2 include Bahrain, Canada, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Mexico, Morocco, Nicaragua, Oman and Peru.

5.090.1 Publication

- a. You are encouraged to publish or otherwise make publicly available the results of the work conducted under the award.
- b. An acknowledgement of Federal support and a disclaimer must appear in the publication of any material, whether copyrighted or not, based on or developed under this project as follows:

Acknowledgement: "This material is based upon work supported by the Department of Energy under Award Number(s) *DE-EE0000166*."

Disclaimer: "This report was prepared as an account of work sponsored by an agency of the United States Government. Neither the United States Government nor any agency thereof, nor any of their employees, make any warranty, express or implied, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would not infringe privately owned rights. Reference herein to any specific commercial product, process, or service by trade name, trademark, manufacturer, or otherwise does not necessarily constitute or imply its endorsement, recommendation, or favoring by the United States Government or any agency thereof. The views and opinions of authors expressed herein do not necessarily state or reflect those of the United States Government or any agency thereof."

Attachment 1

**DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH – BUREAU OF ENERGY SYSTEMS
PROJECT MANAGEMENT FORM
FINANCIAL INFORMATION
PROVIDE ALL INFORMATION REQUESTED ON THIS FORM**

Name of Financial Contact: _____

Project Title: _____

Please check or fill-in response where appropriate.

1. Have you had prior Federal awards? Yes No

2. Have you had an outside audit or an A-133 audit? Yes No

If yes, please provide most recent copy of the A-133 or outside audit.

INFORMATION FOR DETERMINING COGNIZANT AGENCY/OFFICE

3. Applicant's fiscal year end date is _____

4a. Identify Cognizant **Federal** Agency (agency providing the preponderance of Federal funding), and provide Agency name, a point of contact, phone number, and e-mail.

Agency: _____

Point of Contact: _____

Phone: _____

E-mail: _____

4b. To assist our office in validating Cognizant **Federal** Agency (4a), please provide following information for the 5 highest dollar award value for current Federal contracts, grants or awards (do not include sub-awards). (State Agencies and Universities can skip 4b)

Contract/Award #	Awarding Agency	Awarding Office	Start Date	End Date	Total Value

5a. If applicant has current DOE awards, identify Cognizant DOE **Office** (office providing the preponderance of DOE funding), and provide DOE office name, a point of contact, phone number, and e-mail.

Contract/Award #: _____

DOE Office: _____

Point of Contact (Contracting Officer): _____

Phone: _____

E-mail: _____

Awarding Agency: _____

5b. To assist our office in validating Cognizant **DOE** Office (5a), please provide following information for the 5 highest dollar value awards for current DOE contracts, grants or awards (do not include sub-awards). (State agencies and Universities can skip 5b)

DOE Contract/Award #	DOE Awarding Office	Start Date	End Date	Total Value

FINANCIAL MANAGEMENT SYSTEM

To qualify for Financial Assistance, compliance with 10 CFR 600.121 – Higher Education, Hospitals, and Other Non-Profit Organizations, 10 CFR 600.220(b) – State and local Government required or 10 CFR 600.311 – For-Profit Organizations is required. Please check applicable boxes below,

- The Financial Management System is in compliance with 10 CFR 600.121, 10 CFR 600.220(b), or 10 CFR 600.311.
- I do not know if my Financial Management System is in compliance with 10 CFR 600.121, 10 CFR 600.220(b), or 10 CFR 600.311. If this block is checked, complete the survey below.

Accounting System Survey

Yes No N/A

- 1) Is your Accounting System in accordance with Generally Accepted Accounting Principles applicable to the circumstances?
- 2) Accounting System provides for:
 - a. Segregation of direct costs from indirect costs.
 - b. Identification and accumulation of direct costs by project.
 - c. A logical and consistent method for the allocation of indirect costs to intermediate and final cost objectives. (Project is final cost objective)
 - d. Accumulation of costs under general ledger control,
 - e. A timekeeping system that identifies employees' labor by intermediate and final cost objectives.
 - f. A labor distribution system that charges direct and indirect labor to appropriate cost objectives.
 - g. Interim (at least monthly) determination of costs charged to a project through routine posting of books of account.
 - h. Excluding costs charged to Government projects which are not allowable in terms of FAR 31, Contract Cost Principles and Procedures, or other provisions.
 - i. Identification of costs by project line item and by units (as if each unit or line item were a separate project) if required by the proposed award.
- 3) Is the Accounting System designed, and are the records maintained in such a manner that adequate, reliable data are developed for use in developing cost proposals?
- 4) Is the Accounting System currently in full operation?

Attachment 2

Internal Controls Questionnaire

	BUDGETS	Y	N	NA	COMMENTS
1.	If the general fund and special revenue funds were part of the department/bureau/section/unit source of funds were those funds formally adopted into a budget in accordance with state law before the start of the fiscal year?				
2.	Are detailed budget vs. actual reports prepared monthly and reviewed by department heads or others in management?				
	SEGREGATION OF DUTIES				
3.	Are the following accounting functions and duties normally performed by separate employees?				
a.	Physically receipting cash or checks (either by mail or over the counter) and preparing or making bank deposits.				
b.	Authorizing or approving invoices for payment and printing or otherwise preparing checks.				
c.	Handling cash receipts or disbursements and preparing bank reconciliations or having direct access to the general ledger.				
d.	Initiating ACH wire transfers and preparing bank reconciliations or having direct access to the general ledger.				
4.	When staffing constraints require two or more key financial duties to be performed by a single individual, is his/her work reviewed by a responsible official?				
5.	Are employees with key financial responsibilities required to take vacations, with others performing their duties in their absence?				
	CASH HANDLING				
6.	Are authorized bank accounts and check signers periodically approved by the government body?				
7.	Are all cash receipts accounted for sequentially, and filed with supporting documentation?				
8.	Are all bank deposits supported by one of more sequential cash receipts?				
9.	Are cash receipts stored in a physically safe (locked) location until taken to the bank?				
10.	Is access to each petty cash box limited to a single custodian?				

11.	Are petty cash reimbursements periodically reviewed or reconciled by an individual other than the custodian?				
12.	Are completed bank reconciliations reviewed by an individual other than the preparer?				
13.	Are investments managed by a responsible official with knowledge of the government's investment policy?				
14.	Are detailed records maintained for all investments regarding purchase date, cost, maturity date, interest rate, etc.?				
15.	Are investment statements reconciled to the general ledger monthly by an individual not responsible for managing the investment?				
	BILLING AND ACCOUNTS RECEIVABLE				
16.	When customers pay bills in person (i.e. at the counter), are they either given a receipt or have their bills stamped as paid?				
17.	Are monthly or quarterly statements sent to all customers?				
18.	Are past due or credit balances reviewed by someone other than the individual responsible for billing before making any adjustments to write-off or refund accounts?				
	PURCHASING AND ACCOUNTS PAYABLE				
19.	Are all purchases supported by either a purchase order or check request, signed by an authorized individual not responsible for preparing checks?				
20.	Are the expense distributions for all purchases reviewed and approved by the department requesting payment?				
21.	Are new vendors approved by someone other than the individual responsible for processing accounts payable?				
22.	Are all checks either (a) hand signed by an authorized individual not responsible for preparing the checks, or (b) if mechanically or electronically signed, is a check register reviewed by an authorized individual not responsible for preparing the checks?				
23.	Is unused check stock stored in a physically safe (locked) location?				
24.	When checks are voided or spoiled, are they stamped VOID and retained?				
	PERSONNEL AND PAYROLL				

25.	Are accounting personnel subject to a background check prior to hiring?				
26.	Are new employees approved by someone other than the individual responsible for processing payroll?				
27.	Are the pay rates of all employees approved annually by the governing body and appropriately documented?				
28.	Do all non-salaried employees prepare timecards, timesheets, or other evidence of time worked?				
29.	Are time and attendance records approved and signed by an appropriate supervisor prior to processing payroll?				
30.	Before running payroll checks, is a payroll register reviewed and approved by an authorized individual not responsible for preparing the checks?				
31.	Do employee pay stubs display a detail of hours worked, gross pay, and all withholdings and deductions?				
32.	Are withholding accounts periodically reviewed and reconciled to ensure that all required payments are made on a time basis?				
	INVENTORY				
33.	Are inventories adequately safeguarded against loss, theft, or misuse by being kept in locked enclosures with restricted access?				
34.	Are perpetual inventory records maintained and periodically compared against physical counts.				
35.	Are adjustments to inventory balances (due to loss or spoilage) reviewed and approved by an appropriate individual?				
	CAPITAL ASSETS				
36.	Are detailed capital asset records maintained, including acquisition date, useful life, and historical cost?				
37.	Are capital assets that are susceptible to theft (e.g. vehicles, computers, etc.) appropriately inventoried and monitored throughout the year?				
38.	Are capital asset records reviewed annually by various departmental representatives or additions and disposals?				
39.	Are depreciation schedules updated annually, and reviewed by a responsible official?				
	DEBT				

40.	Are all new borrowings and leases allowable under state law and properly approved by the governing body?				
41.	Does management periodically determine that the government is complying with all applicable debt covenants and other compliance requirements?				
42.	Does an appropriate official oversee the use of bond proceeds to ensure they are only spent on allowable costs and activities?				
	GENERAL LEDGER AND JOURNAL ENTRIES				
43.	Are all balance sheet accounts periodically reviewed and reconciled against supporting documentation and subsidiary ledgers, where appropriate?				
44.	Are all journal entries reviewed and approved by an employee other than the preparer?				
45.	Are all journal entries accounted for sequentially, and filed with supporting documentation?				
46a.	Is access to computerized accounting records restricted to authorized individuals (e.g., by using passwords)?				
46b.	If used, is the authorization/password process, permitting access to accounting records, overseen by other than accounting personnel?				
47.	Do software controls prevent accounting transactions from being deleted or modified once posted?				
	GRANT ADMINISTRATION				
48.	Are all new grant agreements properly approved by the governing body prior to requesting funds?				
49.	Are all grant expenditures reviewed by a project manager knowledgeable of the grant requirements to ensure only eligible expenditures are incurred?				
50.	Are all reimbursement requests reviewed by a responsible official to ensure that they are in agreement with the accounting records?				

