

ADMINISTRATION / 3RD PARTY OVERSIGHT / PROJECT MANAGEMENT GUIDANCE

Please see below for a general description of these three important activities and direction on when and how they should be used. Questions regarding these activities beyond the guidance below should be directed to your Brownfield Coordinator.

	ADMINISTRATION	3 RD PARTY OVERSIGHT	PROJECT MANAGEMENT
WHO:	Grantee/Borrower or consultant on behalf of the Grantee/Borrower.	Consultant independent of the developer and not directly implementing the grant/loan activities.	Consultant and/or contractor or occasionally a developer implementing the grant/loan activities.
WHAT:	<p>Activities necessary for the Grantee/Borrower to administer and manage the EGLE funding, including but not limited to:</p> <ul style="list-style-type: none"> • Work and budget tracking in accordance with approved work plans • Ensuring compliance with the agreement terms and conditions • Coordinating project activities and communications • Attending project meetings • Compilation, review, and timely submittal of: <ul style="list-style-type: none"> ○ Payment requests/progress reports ○ Final reports ○ Project closeout documentation for submittal to EGLE • Management of payment flow for reimbursement requests 	<p>A 3rd party oversight consultant is a brownfield specialist or environmental consultant that has experience managing EGLE brownfield grants or loans. Activities performed by a 3rd party oversight consultant include, but are not limited to:</p> <ul style="list-style-type: none"> • Technical review and feedback on: <ul style="list-style-type: none"> ○ Work plans ○ Invoices, billing documentation or other deliverables needed for reimbursement requests in line with approved work plans ○ Other deliverables/submittals (e.g., reports, bids, specifications, etc.) ○ The grant/loan final report • Attending meetings and assisting with communications of a technical nature • Site inspections and/or field oversight, as warranted (Note: constant oversight should not be needed) 	<p>Activities necessary to oversee, direct, and organize resources to complete grant/loan funded activities including, but not limited to:</p> <ul style="list-style-type: none"> • Managing the grant/loan work • Scheduling staff and subcontractors • Review of reports, reporting, or other submittals • Contractor/subcontractor oversight and management, as appropriate • Preparation and review of reimbursement requests packets for themselves or contractors/subcontractors under their oversight including ensuring invoices, billing documentation, or other deliverables needed for reimbursement are present, detailed, and/or annotated to correspond with activities as defined in an approved work plan • Preparing and maintaining project documentation • Attending and arranging project meetings and communications • Field visits • Other project oversight

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WHY:	To help ensure the proper administration, tracking, and reporting of the grant/loan in accordance with the agreement.	The primary role of 3 rd party oversight is to provide technical capacity to the Grantee/Borrower to assist with the proper implementation of the project. 3 rd party oversight must be approved by EGLE in advance and reasons may include: <ul style="list-style-type: none"> • Lack of experience or capacity of the Grantee/Borrower • Lack of experience of the environmental consultant/contractor implementing grant/loan activities • EGLE's past experience with Grantee/Borrower or environmental consultant/contractor warranting additional oversight 	To ensure proper management and implementation of the project, including the scope or work, schedule, and budget.
WHEN:	All grants/loans.	ONLY if approved by EGLE, generally prior to the award of funding.	All grants/loans, as appropriate.
MAXIMUM:	Up to 3% of the total grant/loan award.	Up to 5% of the total grant/loan award.	EGLE staff will review proposed and incurred project management costs to ensure they are both reasonable and appropriate. The general industry rule of thumb is project management accounts for 5 to 15% of the project budget.
OTHER CONSIDERATIONS:	<ul style="list-style-type: none"> • Detailed billing is required. Administration reimbursement requests must include staff names and roles, individual dates the administrative work took place, number of hours, hourly rate, and description of work activities. • Costs that are not eligible to be billed as administrative include, but are not limited to: <ul style="list-style-type: none"> ○ Project management ○ Site planning, site plan review, and other development management. ○ Coordinating or managing other incentives. ○ Preparation or review of Brownfield Plans and/or Act 381 Work Plans unless the Act 381 Work Plan is directly related to an EGLE Loan ○ Local zoning ordinance changes ○ Legal fees ○ Coordination of permits not funded by the grant/loan • Typically, the administration task as outlined in Appendix A of the agreement is automatically approved upon signature of the agreement. 	<ul style="list-style-type: none"> • 3rd party oversight must be approved by EGLE in advance. EGLE staff will discuss with the Grantee/Borrower if they think this course is appropriate. Use of 3rd party oversight will be the exception not the rule. • Detailed billing statements are required for the 3rd party oversight consultant and must include staff names and roles, individual dates the 3rd party oversight work took place, number of hours, hourly rate, and description of work activities. • The 3rd party oversight consultant is contracted directly by the Grantee/Borrower • 3rd party oversight is primarily technical in nature rather than administrative but, may have some overlap regarding reasonableness of costs and review of project invoices, billing documentation or other deliverables needed for reimbursement requests • 3rd party oversight review comments and feedback should be addressed prior to submittal of deliverables to EGLE 	<ul style="list-style-type: none"> • Detailed billing statements are required for all grant/loan funded activities by environmental professionals and must include staff names and roles, individual dates the project management work took place, number of hours, hourly rate, and description of work activities. • Project management is generally performed by an experienced senior staff person at the consultant/contractor implementing the work. • Multiple layers of project management costs (e.g., environmental consultant, brownfield specialist, construction manager, developer, etc.) should be avoided to prevent redundancy and unnecessary use of grant/loan funds. EGLE staff closely monitor and typically will not approve reimbursement for multiple layers of project management.

Note: Costs billed to a grant/loan should always include a description of work corresponding with an approved work plan, individual dates the activity took place, and when appropriate staff names and roles, number of hours, and hourly rates. EGLE staff may ask for a more detailed summary of proposed or incurred costs, clarification, and/or justification for costs associated with activities that seem unclear or excessive.