



Office of Federal Assistance Education & Engagement

Office of Financial Assistance Education & Engagement

Basic Requirements Workshop

Frequently Asked Questions

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About MARAD

Question: Does OST approval process also apply to PIDP?

Answer: *Yes, PIDP grants are reviewed by the Office of the Secretary and the Secretary of Transportation makes final project selections.*

Question: Do the PIDP 2020 General Terms and Conditions have the three (or four) executive orders that were passed prior to BABA? It is difficult to determine?

Answer: *PIDP grant terms and conditions will vary based upon the laws, rules, and regulations in effect at the time of the grant award. Please consult your individual grant agreement for the specific terms and conditions applicable to your award.*

Question: What is meant by in water work? Pile driving?

Answer: *In water work includes any elements of construction that take place in the water. This includes bulkheads, piers, pilings, or other structures that have submerged components. It also includes dredging.*

Question: Is the grant executed date, the same as the agreement date?

Answer: *Yes, it is the date when the grant agreement is fully executed (signed) by MARAD. However, the project cannot start until the Grants Officer issues the notice to proceed.*

Question: Could MARAD provide a checklist that you can provide for pre-award phase, that would include NEPA, Construction or non-construction, STIP/TIP, reporting etc?

Answer: *The Office Federal Assistance Education & Engagement is working on educational tools such as factsheets, checklists etc., to assist grant recipient in maintain compliance.*

Question: Reporting workplans it is sometimes hard to align the workplan with the agreement and sometimes it may conflict with the agreement. Would MARAD consider finding a way to marry the agreement with the workplan?

Answer: *For post award administration items, you are required to work with your grants officer and grants Management specialist to address these types of issues.*

Question: Do quarterly progress reports continue after moving into the quarterly performing reporting period?

Answer: *Some discretionary grant programs administered by MARAD have requirements for the completion of quarterly and performance reporting. Please read your grant agreement for specific reporting requirements. Typically, if your grant agreement requires performance reporting, they will commence after construction activities are completed and quarterly progress reporting has been completed.*

Question: Will there be training or workshop availability for the Port Performance Data Sharing? It is very container centric and there may be room for flexibility add to it.

Answer: *We did not have this type of training schedule; however, MARAD will take this suggestion under consideration.*

Question: Could MARAD provide an example MOU template?

Answer: *Grant recipients are non-federal entities and are governed by state, local, and tribal statutory laws and regulations, policies, and procedures, MARAD does not have any examples. As a grant*

recipient, you are required to written policies and procedures regarding the development of these types of documents.

Question: Would MARAD consider trying to have one report that encompasses SF-425 and SF-270?

Answer: *No, these are two separate forms per the regulations. The forms are used for different purposes and are required to be submitted separately. The SF-425 Federal Financial Report (FFR) form is used for Quarterly Reporting. The report is to be completed and submitted by the recipient on a quarterly basis to report cumulative expenses incurred under each federal award. The SF-270 Request Advances or Reimbursement form is used by MARAD to reimburse the recipient via MARAD's payment system for authorized grant expenditures. The SF-270 form can be submitted every 30 days.*

Question: Is there a NEPA Checklist and/or 106?

Answer: *There was information provided during the NEPA presentation, but do not hesitate to reach out to your POC on the NEPA team or your assigned Grants Management Specialist for additional information.*

Question: For there not being a CE for rail or roads does that include grade separations? (Grade separation) road being built over 3 rails as it is developed.

Answer: *Yes, that would include grade separations. MARAD does not have a CE that would cover a road being built over 3 rails.*

Question: On slide 30, it says "that means until NEPA is completed, there can be no procurement, no bidding, no construction." No procurement or bidding? Is this always true? Even for CE and planning activities for engineering services?

Answer: *You can engage in procurement activities, for consultants, design engineers type services. You can start to prepare the procurement but cannot initiate bids or construction until NEPA is done.*

Question: Does in water include stormwater outfalls?

Answer: *This usually does not apply however, it could depend on the circumstances, always discuss with your Grants Management Specialist.*

Question: Regarding Buy America compliance once they get to the construction portion – what kind of documents will be required to have on file for the Equipment, Material, etc. to show these requirements are being met?

Answer: *Please consult the terms and conditions of your grant agreement for Buy America compliance requirements applicable to your specific award. If you have questions, please contact your assigned Grant Management Specialist for further guidance. In general, grantees should obtain, and retain in their files, written certifications documenting Buy American compliance from suppliers.*

Question: Does domestic preference apply to services as well?

Answer: *Normally not but reach out to your grants officer to make sure.*

Question: Are you anticipating any waivers due to delays from Domestic Preference items? Example a 2 to 3 year wait on items versus a 3-month turnaround in non-domestic.

Answer: *This is a perfect example, and you should discuss this with your grants officer and decide what next steps and possible solutions. i.e., might be a waiver but you must discuss it with grants officer and start the discussion. A delay may not constitute a waiver; but again at the end of the day and addressed in the grant application instead of after the fact.*

Question: In this case if after application we identify domestic preference, will we need a modification?

Answer: *Yes, if found out after application you will need to discuss with grants officer and Grants Management Specialist regarding the next steps.*

Question: Is it presumed with American suppliers that items are American made?

Answer: *No. American suppliers frequently utilize materials or provide equipment that is not American made. Grant Recipients are required to ensure that the materials and equipment acquired in conjunction with their award meet the applicable domestic preference requirements stated in the grant agreement terms and conditions.*

Question: Where can I guide our suppliers to ensure they stay in compliance?

Answer: *There is no single source of information or inventory of domestic preference compliant materials or equipment. Grant Recipients should ask the suppliers to provide the relevant compliance information. If that information is not available, then grantees should contact their assigned Grant Management Specialist for further guidance.*

Question: How do I get collect the information from suppliers to ensure at minimum they can demonstrate the 55% requirement?

Answer: *There is no single source of information or inventory of domestic preference compliant materials or equipment. Grantees should ask the suppliers to provide the relevant compliance information. If that information is not available, then grantees should contact their assigned Grant Management Specialist for further guidance.*

Question: Does modifications generate a waiver?

Answer: *Not necessarily, it is a discussion with your MARAD Grant Management Specialist and Grants officer to identify the best solution.*

Question: Is there any support from MARAD to provide language for a “flow down clause” in the contracts?

Answer: *The Uniform Guidance provides information regarding flow down clauses. In addition, work with your Grants Management Specialist and Grants Officer in the Pre-Award or Post-Award phase to discuss this subject.*

Question: How could I find the NAICs codes?

Answer: NAICS codes are available <https://www.naics.com/search/>. NAICS reviews are scheduled every 5 years and the most current version is NAICS 2022 version.

Question: How do you verify certifications like 8A?

Answer: The company is self-certifying, and the intent is to push the funds out and go back and review later. It is backwards but currently that is how it works.

LEGAL

Question: How can I find the lobbying form? Where can I find out if my subrecipient or contractors are conducting lobbying activities.

Answer: Lobbying Form: [Disclosure of Lobbying Activities | GSA](#)

Verify if Lobbying activities: www.opensecrets.org

Link to Open Secrets: <https://www.opensecrets.org/>

Question: Could you include what must be included in all contracts and subcontract agreements?

Answer: Please review [2 CFR 200.317 to 200.327](#). Additionally, please review [Appendix II](#) of 2 CFR 200.

FINANCIAL

Question: During the pre-award process we recall that there were several policy/procedure questions that the recipient had to respond to, i.e., written financial policy and procedures, agency org chart etc.

Answer: Yes, during the pre-award process the Grants Management Specialist and MARAD Engineering Team will work with the grant recipient to complete the risk assessment questionnaire form and the engineering risk register. These forms are completed to assess organization and project risk to mitigate non-compliance risks associated with project completion.

Question: For basic financial requirements, structure – Do you have to submit written documents or just have them on-hand?

Answer: Yes, the grant recipient is required have this documented and on-hand for audit purposes. See CFR 200.303 for compliance.

Question: For reimbursement do we need - Invoice Spreadsheet summary?

Answer: During the pre-award phase II period, MARAD will provide the recipient an electronic copy of the Invoice Summary Spreadsheet. The spreadsheet is also addressed during the post award kick-off meeting.

Question: Are we required to conduct an annual Single Audit?

Answer: *Per 2 CFR 200.501 (b) Single audit - A non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single audit conducted in accordance with § 200.514 except when it elects to have a program-specific audit conducted in accordance with paragraph (c) of this section.*

Question: Will the MARAD Grants Management Specialist remind the recipient when Single Audit is needed?

Answer: *No, we are not required to monitor or track recipient's federal expenditures for all Federal awards. It is the recipient's responsibility to monitor its federal expenditures and have commercial procedures in place regarding compliance with Single Audits once they meet the \$750K threshold during its fiscal accounting year.*

It is requested as a courtesy that Grant recipients inform the Office of Financial Assistance Education & Engagement and their Grant Management Specialist when single audits are completed and uploaded to the FAC website.

Question: Single Audit Requirements – Is there a specific time frame to complete Single Audit and once completed do we provide this to MARAD?

Answer: *See 2 CFR Part 200.512 Report submission (a) General*

Recipients must upload completed single audits to <https://facweb.census.gov/uploadpdf.aspx>

Question: Does MARAD require for-profit subrecipients with \$750,000 or more federal funds expended in a fiscal year to also have a Single Audit, or to have an agreed upon procedures in lieu of a single audit?

Answer: *Per 2 CFR 200.501 (h) **For-profit subrecipient**. Since this part does not apply to for-profit subrecipients, the pass-through entity is responsible for establishing requirements, as necessary, to ensure compliance by for-profit subrecipients. The agreement with the for-profit subrecipient must describe applicable compliance requirements and the for-profit subrecipient's compliance responsibility. Methods to ensure compliance for Federal awards made to for-profit subrecipients may include pre-award audits, monitoring during the agreement, and post-award audits. See also § 200.332.*

Question: How was the threshold of \$750,000 established?

Answer: *The requirement is established by the Office of Management and Budget (OMB) Uniform Guidance. The Single Audit requirement only kicks in when an organization has expended \$750,000 of federal funds.*

The OMB Uniform Guidance requires that pass-through entities provide the subrecipient written documentation of the source and amount of funds included in the award

Question: Our project could take anywhere from 3 to 5 years to complete; do we only do the single audit one time?

Answer: No, a non-Federal entity that expends \$750,000 or more in Federal funds during its fiscal year must have a single audit conducted.

Question: If we have multiple grants starting at different times when does the \$750,000 come into play, is it per grant?

Answer: No, the requirement is not per Federal award. A non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single audit conducted. *The \$750,000 expend in a non-Federal entity's fiscal year includes Federal funds expending from MARAD program as well as all other Federal programs.*

Question: We currently do not have a signed grant agreement, do we have to conduct a single audit, as our agreement will be over \$750,000.

Answer: *A single audit is only required if a non-Federal entity expend more than \$750,000 of federal dollars in its fiscal year. The \$750,000 expend in a non-Federal entity's fiscal year includes Federal funds expending from MARAD program as well as all other Federal programs.*

Question: If an agency has a separate Audit Department from the department managing the grant, could that qualify for independent auditor?

Answer: *No, the Single Audit must be performed by an external independent auditor who is a certified public accountant (CPA) or chartered accountant (CA) who examines the financial records and business transactions of a company with which they are not affiliated. Internal auditors can assist with their company with ensuring financial records and business transactions are audit ready.*

Question: Do you want the recipient to provide a copy of the Single Audit or just upload to the clearinghouse?

Answer: *The Grant Recipient is required to upload an electronic copy of the audit and all associated information to the FAC website per the regulations. The Office of Financial Assistance Education & Engagement will search the FAC for your report, but MARAD would appreciate receiving a courtesy copy of the audit report via email.*

Question: We are currently in our NEPA EA process, should we be submitting financial reports prior to the grant execution.

Answer: *No, financial reporting requirements does not start until your grant agreement is fully executed (signed) by all parties and you are issued the notice to proceed by the Grants Officer.*

Question: Can you define the term period of performance?

Answer: *Period of Performance means the total estimated time interval between the start of an initial Federal award and the planned end date, which may include one or more funded portions, or budget periods. Identification of the period of performance in the Federal award per § 200.211(b)(5) does not commit the awarding agency to fund the award beyond the currently approved budget period.*

Question: What are we reporting into FSRS?

Answer: *The Federal Funding Accountability and Transparency Act (FFATA) Subaward Reporting System (FSRS) is the reporting tool Federal prime awardees (i.e.) prime contractors and prime grants recipients) use to capture and report subaward and executive compensation data regarding their first tier subawards to meet the FFATA reporting requirements. The link: [FSRS - Federal Funding Accountability and Transparency Act Subaward Reporting System](#) where you can find the User Guide and Training Materials to help you understand reporting on \$30,000 on subawards.*

Question: How often should we submit for reimbursement and duration for getting reimbursed?

Answer: *MARAD encourages its recipients to submit request for reimbursements every 30 days; however, we include a stipulation in the grant agreement that if the submittal goes beyond 180 days, we reserve the right to reject their reimbursement request.*

Question: Must we expend the funds before we ask for reimbursement from MARAD?

Answer: *Yes, you must expend the funds prior to submitting invoices with supporting documentation for reimbursement of eligible expenses.*

Question: How long is the process to gain access to Delphi e-Invoicing system?

Answer: *After the Recipient has completed the required iSupplier training per your grant agreement, typically, it takes one business day (depending on workload) from the date MARAD submits your request to the Delphi e-Invoicing office to gain access to the system.*

Question: Can program income be considered local funding?

Answer: *No*

SATISFACTORY CONTINUING CONTROL

Question: Washington references Special Purpose Districts and want to know if Flood Insurance is required?

The recipient provided link to Special Purpose Districts. <https://app.leg.wa.gov/rcw/default.aspx?cite=36.96.010>

Answer: *The Grant recipient is to work with the MARAD NEPA team to address these types of questions on a case-by-case basis.*

Question: Regarding Equipment Inventory, for example accounting for every foot of conduit, should this level of detail be included in the inventory? We are trying to understand if using MARAD funds and equipment how do we ensure we capture inventory correctly.

Answer: *No, equipment is defined as a tangible property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement*

purposes, or \$5,000. Examples of equipment are transportation equipment, loading equipment, security systems, and storage equipment.

Equipment inventory should include Description of the property/equipment (include make and model); manufacturer's serial number or other identification number; source of the property, the federal grant number; title holder title; acquisition date; cost of the property; percentage of federal participation in the project costs for the relevant award; location of the property; use and condition of the property.

Recipients are required to take a physical inventory of equipment purchased with federal funds at least once every two years. For additional guidance, please see 2 CFR 200.313.

Question: Are the requirements for written procedures passed through to our subcontractors?

Answer: *No, the federal awarding agency does not monitor subcontractors and there is no federal requirement that subcontractors are required to have written policy and procedures in place. Recipients are allowed to include those stipulations in their contractual agreements with their contractors to ensure proper oversight of funds. However, recipients should ensure that their **subrecipients have written policies and procedures in place to effectively manage their subawards**. It is important to note that there is a difference between a subrecipient and a contractor; and it depends on their relationship with the recipient. Is the relationship an exchange transaction where the contractor is performing a good or service for the recipient for profit, or is this more of a non-exchange transaction where the contractor or subcontractor is performing services or producing goods for the benefit of the public (in accordance with the program requirements)? If the relationship is the latter, then the contractor/ subcontractor is considered to be a subrecipient and the entity must comply with the same requirements as the recipient.*

It is important to understand that a recipient cannot make a subaward to another non-Federal entity unless MARAD determines that the non-Federal entity is eligible to receive MARAD funds. If a recipient makes a subaward to another eligible non-Federal entity, then the terms and conditions attached to the recipient's federal award must be included in the subaward documentation to the subrecipient, and this includes having written policy and procedures in place to manage their subaward. For additional guidance, please see 2 CFR 200.332.

Question: California is transitioning to no emissions, and more safety led projects. We have tenants, maybe these are the same as subrecipients, do we have to pass all requirements through to them?

Answer: *Additional information is needed to provide a more sufficient answer.*

However, it seems as though the "tenants" would be a beneficiary of the service provided by the recipient. A subrecipient is defined as a non-Federal entity that receives a subaward from the recipient of a federal award for the sole purpose of carrying out a portion of a federal award and creates a federal assistance relationship with the recipient. For additional guidance, please see 2 CFR 200.313.

Question: Are FHWA and MARAD similar in requirements and procedures when it comes to federal funds?

Answer: *Yes, all federal agencies are required to follow the guidance set forth in the Uniform Guidance (2 CFR Part 200) which establishes uniform administrative requirements, cost principles, and audit requirements for Federal awards to non-Federal entities to ensure that federal grant awards are*

handled in a fiscally responsible manner. For program specific requirements, refer to your grant agreement.

Question: Is there some documentation that we submit to provide proof we comply?

Answer: *Your executed grant agreement includes certification and assurances that you signed assuring that you will comply with all terms and conditions of the federal award. When a compliance review is conducted by MARAD or other Federal entities, you may be required to produce supporting documentation per regulations of 2 CFR 200.334, that requires the recipient to maintain and retain all records. Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient. Federal awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities.*

Question: Does incidental use capped DMPA site (we cap the dredge but eventually lease the land) is this considered incidental use.

Answer: *Unless authorized by the U.S. Department of Transportation Maritime Administration or by Federal statutes, real property purchased in whole or in part with federal funds must be used for the originally authorized purpose as long as needed for that purpose, during which time the non-Federal entity must not dispose of or encumber its title or other interests.*

Equipment purchased with U.S. Department of Transportation Maritime Administration funds must be used by the non-Federal entity in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the Federal award. The non-Federal entity must not encumber the equipment without prior approval of the U.S. Department of Transportation Maritime Administration. When no longer needed for the original program or project, the equipment may be used in other activities supported by the U.S. Department of Transportation Maritime Administration or other federal agencies.

Question: Does 2 CFR 200 state what the number of years of useful life is for particular assets, such as a building, equipment, etc.?

Answer: *No. MARAD is in the process of developing its useful life policy guidelines.*

MAINTENANCE

Question: When should we start to develop our preventive maintenance inspection plan?

Answer: *You should start the plan as you look to purchase assets, the plan should include all assets, OEM, requirements to maintain that asset, and once the asset arrives on site you have the plan in place to operate and conduct the maintenance of said asset.*

Question: Assets purchased using MARAD funds for a subrecipient, if they have a maintenance plan in place, or are we establishing a plan.

Answer: *The subrecipient can develop their own plan; however, you must ensure that they have all the required elements of the maintenance plan. The recipient's role is to ensure that they have a plan, they follow the plan, and you provide evidence that this is being done.*

Question: What is the period to monitor maintenance on asset(s)?

Answer: *From the day the asset is received until it's met its useful life and disposed of.*

Question: What is the process to request moving an asset that still has useful life remaining?

Answer: *Contact your MARAD grants officer, in writing, detailing what your intentions of the asset will be. Through a series of approvals from MARAD you will be provided instructions on what can be done to move asset. You must also remember to include this information in your report.*

Question: End of life of an asset

Answer: *This subject was discussed in the satisfactory continuing control section. MARAD is in the process of developing guidance in useful life. When an asset has reached an established useful life, the recipient must maintain and retain maintenance records that it has been maintained through the useful life. The recipient is required to reach out to MARAD Grants Officer and the Grants Management Specialist to discuss plans to dispose of assets. Reminder you must keep records of that asset and how you disposed of it and the amount of funds you received at sale. If it is less than \$5,000 you must just show you used the profits for a MARAD project.*

PROCUREMENT

Question: Could you provide example language for procurement standards.

Answer: For guidance on procurement standards please review 2 CFR 200.317 to 200.327. Additionally, please review Appendix II of 2 CFR 200.

Question: Regarding labor compliance, any restrictions with local projects and local labor agreements?

Answer: *I don't understand the question. Labor compliance requirements are outlined in the terms and conditions of individual grant agreements.*

Question: Regarding geographical preference, we must hire from our local electrical union contractor. What do we do to address this?

Answer: *The provisions of the Uniform Guidance, 2 CFR 200.319(c), state:*

The non-Federal entity must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly

mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

We would require some additional details regarding the local requirements you identify in your question to determine whether this would constitute a specific geographic preference to a local firm, or whether it may qualify for the licensing requirement exemption, or some other consideration.

Question: How long after our construction project is complete, should we expect an audit.

Answer: *Federal agencies can conduct program or compliance reviews throughout the performance period of the Federal award and up to seven (7) after the official close out of the Federal award. Your MARAD Grants Officer will determine when and how often compliance reviews will be conducted.*

Question: How long do we maintain records for our federally funded projects.

Answer: *Per 2 CFR 200.334 Retention requirements, for records financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient. Federal awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. See regulations for exceptions.*

Question: Do you have suggested practices on how to ensure life of the grant project to closeout, possibly a checklist or examples

Answer: *Please consult with your assigned Grant Management Specialist. Grant agreements should include a schedule that describes the milestones throughout the grant life cycle. Also, the Office of Federal Assistance Education & Engagement is developing educational tools such as checklists, factsheets, and templates to help recipients maintain compliance.*

Question: What is the documentation needed if we conduct negotiations? How do we provide proof that negotiations were done in good faith?

Answer: *This is a 2-part answer*

Documentation needed if we conduct negotiations: Negotiations are conducted basically in three instances: (i), competitive proposal (RFP) procurements, (ii), architectural and engineering (A&E) procurements in accordance with the requirements of the Brooks Act, and (iii) change order/contract modification situations.

For competitive proposals and A&E procurements, recipients must have written procurement selection procedures, that include, at a minimum, procedures for the solicitation process including the use of evaluation criteria and the basis for award in solicitation documents, the evaluation process, including the use of evaluation committees and how proposals are evaluated including the process of presentations by proposers, and how negotiations are conducted during this process, including costs and technical provisions, and the ultimate basis for award, based on the results of the overall process.

Recipients should document the entire process, including retention of evaluation forms, evidence of evaluation committee meetings, meetings with proposers, and negotiation results. The award recommendation should include a summary of the activity that has taken place, which will show the results of the entire process, and that the process was conducted in accordance with established procedures.

For contract modifications, recipients should have the following: (i), documented contract modification procedures, including the types of changes, how negotiations will be managed, and the individual(s) authorized to approved changes, and, (ii), a robust changes provision in the contract documents, including requirements for submitting requests for changes, including the level of detail required (costs and level of effort), and the general process for how they will be evaluated and approved.

Recipients should include a written summary of the entire contract modification negotiation process that will show adherence to both the contract documents and the recipient's internal modification procedures.

Proof that negotiations were done in good faith: It is essential that recipients have procedures and business practices that will govern the proper application of the negotiation processes inherent in the procurement methods identified above. Recipients therefore can prove good faith by establishing these practices through formal procedures that are in conformance with MARAD requirements and state and local regulations, and showing evidence through sufficient documentation, that these procedures and processes have been followed.

Question: For A&E services can we use our own PEs employed by us in lieu of contractors.

Answer: *Additional information is needed. Will the cost of this professional service be charged to the recipient's grant? Is this pre-award cost? Will the cost for the professional service be use for cost matching purposes?*

Recipients should abide by their state and local procurement standards, along with Federal procurement standards when procuring professional services. Non-Federal entities cannot use their employees for professional services and charge it to their federal award without sufficient justification and approval from the awarding agency. Please see 2 CFR 200.459 for additional guidance.

Question: If bids are issued is there timing with issued wages/schedule of wages/ what triggers this?

Answer: *The following guidance is included in the SAM.gov relative to updates to wage determinations:*

Modification to a wage determination: *A modification to a wage determination is issued to update data in the original determination. Where a contract will be entered pursuant to competitive bidding procedures, a modification, notice of which is published on the Wage Determination web site at <https://sam.gov/content/home>; or in the Federal Register less than 10 days before the opening of bids shall be effective unless the agency finds that there is not a reasonable time still available before bid opening to notify bidders of the modification and a report of the finding is inserted in the contract file. A modification to a general wage determination is "published" on the date of the notice of the modification published on sam.gov or on the date the agency receives actual written notice of the modification from the Department of Labor, whichever occurs first. (For projects assisted under the National Housing Act, and for projects to receive housing assistance payments under section 8 of the U.S. Housing Act of 1937, dates other than bid opening apply. See Regulations, 29 CFR Part 1, section 1.6).*

If a contract has not been awarded within 90 days after bid opening, modifications prior to award to a general wage determination in the contract shall be effective with respect to that contract unless the agency requests and obtains an extension of the 90-day period from the Wage and Hour Division.

Question: What is wage negotiation?

Answer: *Recipients are required to pay, at a minimum, the USDOL prevailing wages for covered construction activities in accordance with the requirements of the Davis Bacon Act, by location of where the work is performed. The rates included in the wage determination schedules are not subject to negotiation. MARAD recommends you discuss with your MARAD Grants Officer before during and after if wage negotiations are conducted.*

Question: Reference to Slide 171, Approval from MARAD when change orders affect the budget.

Answer: *If change order does not affect the budget, ensure steps are taken to effectively make change orders in compliance with 2 CFR 200.319 and 2 CFR 200.324. If the change order will affect the MARAD budget, you are required to follow the terms and conditions indicated in your grant agreement. Also, work with the MARAD Grants Officer and Grants Management Specialist to discuss all matters.*

Also, your quarterly report is a tool where you can inform MARAD of potential change orders that may affect the grant agreement project scope, schedule, and/or budget.

eCFR: 2 CFR 200.319 -- Competition.

eCFR: 2 CFR 200.324 -- Contract cost and price. (a)

Question: Could we get a complete contact list to include telephone numbers of our grant administrators.

Answer: *The recipient's executed grant agreement contains the point of contact for your federal award. This is the person you should communicate with throughout the period of performance of your grant agreement.*

Question: Contractor doing business must not be debarred, does this also includes subrecipients?

Answer: *Yes, you must ensure that anyone you fund is responsible and not debarred.*

Question: A&E Initial evaluation factor is technical rating first and then does it mean you must evaluate cost after?

Answer: *The initial evaluation must be technical evaluation. Funding is not part of the first phase of the evaluation. Once you have determined the technical evaluation, then you reach out to that firm and negotiate the price that is fair and reasonable.*

Question: For Federal funds, is it acceptable to use cost/price analysis already performed by other municipalities/states?

Answer: *Maybe, it depends on the nature of the information. You are required to do your market research to ensure what you are using is reasonable, acceptable, and how you determined it was fair and reasonable.*

Question: How recent (in time) does an ICE have to be?

Answer: *You must ensure that depending on the product/material/construction you need to ensure that those elements are valid do your homework and market research showing that you determined this ICE is still accurate.*

Question: Changes of Scope impact we use 10% over as a threshold – would that be considered a good practice

Answer: *10% might be a bit high a better suggestion is maybe 5% is looked at a baseline showing adequacy in the project design. Ultimately your project and drawing should be as precise as possible, so the goal is not to have to change orders. The project goal is to stay within the SOW and any changes should be few and far between. MARAD reminds that during the planning process, MARAD engineers work with your engineers to evaluate possible risk in the project. MARAD emphasizes that the approval is based on a full project plan with minimal changes. If you identify changes after approval, you need to work with your grants management specialist and grants officer.*

Question: Bid evaluation is that where we should write those possible change orders.

Answer: *The change order process should be already defined prior to the evaluation stage of the bids. Your solicitation for bids should have language in it that states how you will manage the change process.*

For budget change request please review your grant agreement and work with your grant management specialist. For additional guidance, please refer to 2 CFR 200.308 (Revision of budget and program plans). (h) The Federal awarding agency may, at its option, restrict the transfer of funds among direct cost categories or programs, functions, and activities for Federal awards in which the Federal share of the project exceeds the simplified acquisition threshold and the cumulative amount of such transfers exceeds or is expected to exceed 10 percent of the total budget as last approved by the Federal awarding agency. (f) For construction Federal awards, the recipient must request prior written approval promptly from the Federal awarding agency for budget revisions whenever paragraph (h)(1), (2), or (3) of this section applies: (1) The revision results from changes in the scope or the objective of the project or program. (2) The need arises for additional Federal funds to complete the project. (3) A revision is desired which involves specific costs for which prior written approval requirements may be imposed consistent with applicable OMB cost principles listed in subpart E.

Question: Please explain what options are and how are they used?

Answer: *You designed a building and now you have decided you want that additional piece or extras listed out by line item, i.e. fencing, security gate just as example: you would have to evaluate on the base plus the options and you will have to determine low bidder. You can award those options at time of award, or you may wait 6 months. If you did not evaluate the bid and options at time of award, you cannot award that bid if you only did the award.*

Additional information regarding contracts – in addition the requirements established by the Federal awarding agency (and the recipient if applicable) ALL contracts made by a recipient or

sub-recipient under the Federal award must contain provisions listed in Appendix II of 2 CFR 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards.

DRUG & ALCOHOL

Question: How often do we need to provide training for the Drug and Alcohol program.

Answer: See eCFR :: 49 CFR 32.215 -- What must I include in my drug-free awareness program.

LINKS PROVIDED

Executive Order 14005 – Build America/Buy America

<https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/25/executive-order-on-ensuring-the-future-is-made-in-all-of-america-by-all-of-americas-workers/>

OMB guidance for Build America/Buy America

<https://www.whitehouse.gov/wp-content/uploads/2022/07/Build-America-Buy-America-Factsheet-and-FAQs-for-Award-Recipients.pdf>

OMB implementation of Build America/Buy America

<https://www.whitehouse.gov/wp-content/uploads/2022/04/M-22-11.pdf>

Additional Questions about BABA: Email address for follow-up questions PIDPgrants@dot.gov

