

APPALACHIAN REGIONAL COMMISSION CONSTRUCTION — RSBA

Program Guidelines | November 2019



Table of Contents

Section I – Introduction	1
A. Overview	1
B. General	1
C. Eligibility	2
D. General Program Requirements	2
E. Administration of Construction and Infrastructure Projects	2
F. Nondiscrimination	3
Section II – The Application Process	3
A. Application Submission Procedures	3
B. Application Evaluation and Approval Criteria	4
C. Technical Assistance	4
D. Limitations and Penalties	5
E. Contact Information	5
Section III – Grant Award Process and Execution of Contractual Agreements	5
A. Grant Agreement with ARC	5
B. Grant Agreement with DCED	6
Section IV – Administration of ARC Construction Projects	6
A. Registered State Basic Agency Standards	6
B. Compliance Review and Monitoring	9
Exhibit I – Appalachian Regional Commission Program	13
Exhibit II – Local Development Districts	14
Exhibit III – Eligible Applicants for ARC Construction – RSBA Program	15

Section I – Introduction

A. Overview

The Appalachian Regional Commission (ARC) was established in 1965 and codified at 40 U.S.C.S. §§14101-14704. ARC is tasked with administering a comprehensive program for the economic development of the Appalachian Region. Each year in Pennsylvania, the ARC provides funding for numerous projects in the Appalachian Region in a wide range of program areas. The projects funded in the program areas create thousands of new jobs, improve local water and sewer systems, increase school readiness, training, assist local communities with strategic planning and provide technical support to emerging businesses.

Pennsylvania will look favorably at projects where there are new business start-ups and job creation, as well those projects which will enhance the community and economic vitality of the state. When approving a project, ARC will also consider whether the project will improve, on a continuing rather than a temporary basis, the opportunities for employment and the average level of income or economic and social development of the area served by the project.

B. General

These guidelines provide guidance to applicants seeking construction and infrastructure funding from the Appalachian Regional Commission (ARC) (Refer to Exhibit I). These guidelines provide a detailed statement of the Commonwealth of Pennsylvania's policies for ARC construction projects which will be administered by the Commonwealth of Pennsylvania Department of Community and Economic Development (DCED), as a Registered State Basic Agency (DCED RSBA).

The seven Local Development Districts (Refer to Exhibit II) are key agencies in the project development and review process in Pennsylvania. They provide technical assistance to local project sponsors and prepare priority lists of recommended projects for consideration by DCED in its preparation of the Pennsylvania Annual ARC State Strategy. All potential project sponsors and applicants should review the Pennsylvania Annual ARC State Strategy and contact the appropriate LDD identified in Exhibit II prior to preparing the project summary or application. The project proposal package should be completed in close consultation with the LDD.

The LDD will help potential applicants identify if the DCED RSBA is the appropriate Basic Agency for the proposed construction project. Potential project sponsors should be aware that all projects must:

- Implement a specific strategy for addressing one of the five goals in ARC's Strategic Plan.
- Demonstrate consistency with the Commonwealth of Pennsylvania's Appalachian Regional Commission's State Development Plan. The LDD or DCED's Center for Strategic Partnerships can provide further information concerning these strategies and plans and their relationship to specific construction project proposals.

C. Eligibility

1. Eligible ARC Construction Applicants

Eligible applicants for the ARC Construction – RSBA Program are local government entities that are PA State Community Development Block Grant (CDBG) recipients. Direct Housing and Urban Development (HUD) Federal Entitlement jurisdictions may not apply. A listing of eligible municipalities is included as Exhibit III.

2. Eligible Projects and Activities

The following are examples of eligible construction projects that may be considered for funding if the activity is listed as a priority in the Pennsylvania Annual ARC State Strategy Statement. Eligible projects include but are not limited to:

- a. Infrastructure development including site preparation, water, sewer, electric, gas, broadband, or other needed improvements.
- b. Construction of business incubators or multi-tenant facilities.
- c. Construction of educational or training facilities.

D. General Program Requirements

The DCED RSBA will serve as the basic agency for ARC-funded construction projects when either no federal basic agency is available or willing to administer the proposed project or the grantee requests that DCED serve as the registered state basic agency.

Applicants for ARC funding should contact their Local Development District to receive technical assistance in the preparation and submission of project applications.

All ARC assisted projects must:

1. Relate to one goal, objective, and strategy set forth in the approved State Appalachian Development Plan.
2. Provide reasonable assurance that the project maximizes all available federal and non-federal funds prior to seeking ARC resources.
3. Provide reasonable assurances that the project is consistent with applicable state and/or federal plans, policies, and regulations.
4. Be signed by the Governor or his designee.
5. Provide reasonable assurance of the availability of non-federal shares of project costs where matching funds are required.
6. Provide reasonable assurance of management capacity to effectively carry out the project or program.
7. Contain detailed output and outcome measures by which project performance may be evaluated.

E. Administration of Construction and Infrastructure Projects

As a registered state basic agency, DCED has experience managing federally funded construction and infrastructure projects. Units of general local government who are State CDBG Entitlement communities should contact their Local Development District to discuss their construction project and obtain technical assistance in the submission of their application to DCED.

F. Nondiscrimination

No assistance shall be awarded to an applicant under this program unless the applicant and the project user certifies that it is in compliance with all Federal and State statutes relating to non-discrimination and added protected classes. These include but are not limited to: (1) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (2) Title IX of the Education Amendments Act of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (3) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (4) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (5) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92- 255), as amended, relating to nondiscrimination on the basis of drug abuse; (6) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (7) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (8) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (9) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (10) the requirements of any other nondiscrimination statute(s) which may apply to the application.

Section II – The Application Process

A. Application Submission Procedures

- All applications are initially screened to determine funding eligibility. The screening process assesses consistency with ARC’s five goals and strategies. This screening begins with submission and review of an ARC Project Summary.
- Completeness, readiness, need, prioritization and feasibility of the project are the determining factors in assessing proposals.
- When recommending a project, Pennsylvania also considers whether the project improves on a continuing basis, the opportunities for employment as well as, the average income or economic and social development of the area served.

1. Pre-Application

The application process begins with submission of an ARC Project Summary to the appropriate Local Development District or directly to DCED. The ARC Project Summary template may be obtained from the Local Development District or DCED. Following a review of the ARC Project Summary, DCED may issue a request for a full-application.

The Local Development District determines whether the applicant is eligible to serve as the legal applicant for the ARC Construction-RSBA Program and instructs the applicant to complete an RSBA Request Form and email it and the ARC Project Summary to Neil Fowler, Executive Director of the DCED Center for Strategic Partnerships (nfowler@pa.gov). This request seeks agreement by DCED to administer the proposed construction project. The ARC Project Summary template and RSBA Request Form may be obtained from the Local Development District or DCED.

If the DCED concurs that the construction project is viable and will be seeking ARC funding, a Basic Agency Letter will be issued to the applicant to include with a full-application, if invited.

2. **Full-Application**

If the applicant is invited to submit a full-application for their construction project, the Local Development District will assist the applicant in preparing and submitting the proposal and required supporting documentation to DCED.

To assist the ARC Commission with project evaluation, all full-applications for construction projects must provide the following information and explanations:

- Narrative in ARC Construction Application format
- ARC Construction Application Checklist
- Basic Agency Letter signed by the DCED RSBA
- Required Federal Forms
- Preliminary Construction Cost Estimate
- Match Letters
- Letters of Support
- Maps of Project Service Area (or schematics of the route of utility systems)
- Photos of Project Service Area
- Floorplans/diagrams of buildings to be constructed
- MAI Appraisal (or comparable appraisal if appropriate) if budget includes land or buildings

The applicant will be directed to submit one (1) original and two (2) copies of the entire application package to the Local Development District who will package it and send it to DCED for review.

DCED will review the proposal and communicate questions and concerns directly with the Local Development District to address and revise with the applicant.

B. Application Evaluation and Approval Criteria

When evaluating and selecting projects for ARC assistance, DCED:

1. Looks favorably at projects generating business formation, job retention and job creation;
2. Supports projects that enhance the entrepreneurial vitality of the state.
3. Seeks efforts that exhibit a high level of local and regional support.

Proposals which sufficiently demonstrate that the construction project is viable, ready to proceed and is consistent with ARC goals, the Commonwealth of Pennsylvania's ARC State Development Plan and regional priorities, will be authorized by the Governor for submission to ARC.

C. Technical Assistance

Contact the Local Development District in the project area to receive:

1. A copy of the Pennsylvania Annual ARC State Strategy and Development Plans, ARC Guidance on Performance Measures, ARC County Economic Status and Match Rates, an ARC Project Summary template and an RSBA Request Form;
2. Assistance in developing the ARC Project Summary and subsequent proposal, and
3. Technical assistance in completing necessary federal forms.

D. Limitations and Penalties

1. Pennsylvania expects an ARC grant recipient to contribute its own resources to a project to the extent it can do so and aggressively seek additional non-ARC funding assistance.
2. Matching funds must be identified by amount and source with assurances that such funds will be available during the project performance period.
3. Pennsylvania's ARC participation costs will generally be limited to 50 percent of project costs, with some exceptions as detailed in the Pennsylvania Annual ARC State Strategy.

E. Contact Information

Program inquiries should be directed to:

PA Department of Community & Economic Development
Center for Strategic Partnerships
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120-0225

Telephone: (717) 214-5395

Section III – Grant Award Process and Execution of Contractual Agreements

If ARC awards a grant for the construction project, an award notification will be sent to both the grantee and DCED. ARC will also announce the project approval to the applicable Congressional delegation, the Governor and the Governor's State Alternate. DCED, as the registered state basic agency designated to administer the grant, will notify the grantee of the due diligence required to implement the project in compliance with federal guidelines.

A. Grant Agreement with ARC

ARC will execute a grant agreement with the grantee. The grant agreement between ARC and the grantee designates the DCED RSBA as the fiscal agent for the project and the grant applicant as the grantee, and includes:

- A description of the grantee's obligations.
- The grantee's agreement on the grant and match amounts.
- The grantee's agreement to provide supporting documentation with each payment request it submits to the DCED RSBA.
- The grantee's agreement to federal retention of interest in real property, if applicable.

The grant agreement is signed by the ARC general counsel and the grantee's executive contact and remains in effect from the beginning of the grant period to the end of the grant period.

The grant agreement defines the administrative and fiscal roles of the DCED RSBA in the project and instructs the grantee to meet with the DCED RSBA to subsequently execute a grant agreement before proceeding with any project activities. Grantees are cautioned not to proceed with any project activities (i.e. procurement, acquisition or contracting) until authorized to proceed by the DCED RSBA.

B. Grant Agreement with DCED

The DCED RSBA will advise the grantee to submit an electronic on-line Single Application for Assistance located at dced.pa.gov/singleapp. The Electronic Single Application system will direct the grantee to upload the following documentation:

1. Final construction application and supporting documentation approved by ARC
2. Grant Award letter from ARC

DCED will execute a grant agreement between DCED and the grantee, incorporating appropriate provisions to implement the project and ensure compliance with applicable federal laws and regulations.

Section IV – Administration of ARC Construction Projects

The DCED RSBA will administer the project in accordance with its Memorandum of Understanding with ARC. DCED RSBA's responsibilities will include:

- Oversight of Environmental Reviews
- Certifying Construction Progress
- Reimbursement of Approved Expenditures by the Grantee
- Monitoring and Reporting on Project Activities
- Grant Closeout

The DCED RSBA will administer ARC construction projects in general accordance with the guidelines and regulations governing the State CDBG Program. However, ARC construction projects do not have to comply with all the requirements in the Housing and Community Development Act of 1974. Specifically, ARC construction projects do not have to comply with HUD's requirements for benefitting low-and moderate-income persons, addressing slum and blight or meeting other urgent needs. ARC construction projects must have appropriate and reasonable project outcomes as determined through the application approval process and any application amendments.

A. Registered State Basic Agency Standards

All ARC construction projects administered by the DCED RSBA, will comply with the same standards and guidelines, including all applicable federal assurances, that apply to the CDBG program with the exception, as noted previously, of the national objective requirement in the Housing and Urban Development Act of 1974 (as amended) and Section 3.

1. **Record-Keeping**

A key role of the DCED RSBA is to ensure that the objectives outlined in the ARC grant agreement are achieved and that the activities are completed on time, within budget and in compliance with ARC program requirements and in accord with the proposed project scope. The DCED RSBA will use existing procedures, forms, and systems to verify progress and to intervene promptly if problems arise.

2. **Start-Up Documentation**

The grantee will be required to establish and maintain an ARC Construction Project File which contains a copy of the following documentation:

- Grant agreement executed by ARC
- Grant agreement executed by DCED
- All communications with the DCED RSBA
- All Performance Progress Reports (ARC-PPR)
- All Standard Form 270 - ARC Construction Reimbursement Request Worksheets
- All invoices received and paid
- All cancelled checks or credit card statements evidencing payment of invoices
- Timesheets (signed by Supervisors) and Payroll Reports
- Construction Site Records and Labor Standards Reports
- All Environmental Review documentation
- Procurement and Contracting Documentation (to include Bid Notifications, Bid Awards, etc.)
 - *Note that a copy all construction contracts must be submitted to the DCED RSBA for submission to ARC.*

In administering ARC construction projects, DCED as the RSBA, will ensure compliance with federal and state requirements for construction projects, with emphasis on the following aspects of project management:

Compliance with Federal and State Regulations

- **Environmental Review**

The DCED RSBA will assure that each grantee completes a review of their construction project's impact on the environment, as required by the National Environmental Policy Act (NEPA) and related federal and state regulations. ARC construction projects are subject to the same NEPA regulations and processes as CDBG projects. Construction may not begin until the environmental assessment has been conducted, certified by DCED and a Release of Funds has been issued.
- **Procurement and Contracting**

The DCED RSBA will review all grantee procurement procedures and contracts prior to execution and release of funds to ensure compliance with federal procurement and contracting requirements found at 2 CFR 200.317-326. Procurements will also be monitored a least once during project construction.
- **Conflict of Interest**

The DCED RSBA will ensure compliance with 2 CFR Part 200.112, which requires grantees to establish conflict of interest (COI) policies to prohibit employees from using positions for private gain, and to report COI in writing; and 2 CFR subsection 200.318 (c), which requires written standards for conduct regarding COI and employees who select, award and administer contracts.

- **Financial Management**
The DCED RSBA will adhere to applicable 2 CFR Part 200 financial management standards and will be subject to auditing procedures for federal programs. The DCED RSBA will ensure that grantees adhere to applicable 2 CFR Part 200 with respect to financial management, cost principles, and audit requirements for ARC construction projects.
- **Nondiscrimination Policy**
Grantees must adopt a policy stating that they will not discriminate in hiring and employment practices against any individual on the grounds of race, age, handicap, religion, color, sex, sexual orientation, gender identity or national origin.
- **Labor Standards**
Contracts using federal funds must follow all applicable labor standards, which are set forth in Section 110 of the Housing and Community Development Act of 1974, as amended, and HUD’s implementing regulations. The standards include, where applicable, the following:
 - Davis-Bacon Act, as amended, 40 U.S.C. 3141-3144, 3146-3148
 - Copeland “Anti-Kickback” Act, 40 U.S.C. 3145
 - Contract Work Hours and Safety Standards Act, 40 U.S.C. 3702, 3704
 - DOL regulations at 29 CFR Parts 1, 3, and 5. These regulations implement the Davis-Bacon Act, the Contract Work Hours and Safety Standards Act and the Copeland Act.
- **Uniform Relocation Assistance and Real Property Acquisition Policies Act**
The DCED RSBA will ensure that construction projects which involve the acquisition of real property with ARC funding, comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended at 42 U.S.C. 4601-4655.
- **Small and Minority and Women-Owned Business Enterprises (MWBES)**
The DCED RSBA will ensure compliance with 2 CFR Part 200.321 which requires grantees to take all necessary affirmative steps to assure that small, minority-owned businesses, women’s business enterprises, and labor surplus area firms are included when possible. The DCED RSBA will ensure compliance with federal and state regulations to assure that qualified, state-certified minority- and women-owned businesses are notified and have opportunities to bid on contracts for ARC construction projects.
- **Equal Opportunity Requirements**
The DCED RSBA will ensure grantees comply with Executive Order 11246, Equal Opportunity in Federal Employment, September 24, 1995 (30 FR 12319), as amended by Executive Order 11375, October 13, 1967, and Executive Order 12086, October 5, 1978 (43 FR 46501), and the regulations issued pursuant thereto (41 CFR 60-1), which provide that no person shall be discriminated against on the basis of race, color, religion, sex or national origin in all phases of employment during the Performance of Federal or Federally-assisted construction contracts.

The DCED RSBA will provide guidance to the grantee on the following requirements:

- Informing the contractor of the requirements and assisting the contractor with compliance
- Inserting the appropriate equal opportunity provisions in all contract documents
- Awarding contracts and approving subcontract awards over \$10,000
- Ensuring that contractors and subcontractors are in compliance with the Federal Equal Employment Opportunity requirements and are not on the state or federal debarred list.

B. Compliance Review and Monitoring

1. Project Design

The DCED RSBA will provide determinations that the construction plan, design, engineering, environmental reviews, and property acquisition components of the project conform to the federal requirements for all ARC-funded construction.

2. Notice to Proceed

Grantees should not begin construction until the DCED RSBA issues authorization of award, unless explicit permission is granted by the DCED. Notice to Proceed is issued when all pre-certifications are complete and the DCED RSBA has reviewed the technical and financial feasibility of the proposed project and made a preliminary assessment of any problems. Note that the DCED RSBA will not reimburse grantees for expenditures under construction projects prior to issuing an official Notice to Proceed.

3. Project Administration

The DCED RSBA will monitor project administration to ensure a timely start of work, to help address and resolve any problems related to project activities, and to ensure that matching funds are maintained in the project.

At the DCED RSBA's request, ARC may revoke or revise its approval of any project if the scope of work is not started or placed under contract within 18 months of approval. If the grantee has not started construction within 18 months of project approval, the grantee must provide the DCED RSBA with a revised construction schedule to submit to ARC for a project amendment.

Project Amendments

All project amendments will be carried out in accordance with 2 CFR Part 200.

(a) Major Amendments

(1) Change in Project Scope

Changes to construction plans, project location or the purchase of equipment not included in the original approved project budget, must be approved by the DCED RSBA and ARC. The grantee must submit a revised budget and written justification to DCED and receive written approval before incurring expenses.

(2) Change in Budget Line Item Allocation by more than 10% of Total Project Budget

The grantee must submit a revised budget and written justification to the DCED RSBA for written approval by the DCED RSBA and ARC before incurring expenses.

(3) Increase in ARC share of costs

The grantee must submit a revised budget and written justification to the DCED RSBA for written approval of a pro-rata cost share waiver by the DCED RSBA and ARC before incurring expenses.

(4) Change of grantee

If it is necessary to change the legal grantee for a project, the following must be submitted by the grantee requesting an amendment to the grant agreement:

- Revised project application
- Revised SF424 – Application for Federal Assistance indicating the new legal grantee

The revised application and supporting documentation must then be authorized by the Governor's State Alternate for submission and consideration by ARC. If approved, a written grant amendment will be issued to the grantee by ARC and a contract assignment between the original grantee and the new grantee must be executed and approved by the DCED RSBA. Grantees will not be reimbursed for incurred expenses prior to receipt of the approved contract assignment.

(b) Minor Amendments

(1) Construction Delays

If the grantee has not started construction within 18 months of project approval, and no costs are associated with extending the project performance period, the grantee must submit a revised construction schedule to the DCED RSBA for approval before incurring expenses after the original performance period. The contract amendment will specify a revised schedule that:

- Identifies the reason for the delay and if appropriate,
- Identifies options for resolving any problems or delays
- Identifies a revised period of performance for the project

(2) Cost Overruns

ARC funds are always limited to the percent of project costs specified in the project approval. If actual construction and/or equipment costs exceed the estimated eligible costs approved for a project, additional ARC funds may be approved, depending on ARC policies and the availability of State ARC funds. The grantee must submit the following to the DCED RSBA for review:

- Written justification explaining the reason for the cost overrun
- Revised project application
- Revised SF424 – Application for Federal Assistance indicating the increased funding request
- Revised SF424 – Budget Information for Construction Programs
- Revised ARC Form 1 – Construction and/or Equipment Project Application
- Revised Engineering Construction Cost Estimate

The revised application and supporting documentation must then be authorized by the Governor's State Alternate for submission and consideration by ARC. If approved, a written grant amendment will be issued to the grantee by ARC. Grantees will not be reimbursed for incurred expenses prior to receipt of the approved grant amendment.

Project cancellation

At the Request of the Grantee

Should it be necessary for the grantee to cancel their construction project, a written notification must be submitted to the DCED RSBA. The DCED RSBA will then submit the request to ARC. Both ARC and the DCED RSBA will provide written notification to the grantee indicating that all grant agreements have been terminated.

Failure of the Grantee to Fulfill the Tenets of the Grant Agreement

At the request of the DCED RSBA, ARC may cancel its approval of a project if the work is not underway within 18 months after the date of approval, or for other compelling reasons. ARC will issue a project closeout form and remove the project from the ARC project database. The project's approved ARC funds will be returned to Pennsylvania's funding allocation.

Project Payments

The DCED RSBA will assure processing and payment of invoices for approved costs attributable to the ARC grant. Invoices will be reviewed for eligibility and completeness of supporting documentation and assurance that the use of ARC funds administered under the construction project comply with all applicable federal laws and regulations.

To assure timely processing of reimbursement of actual project expenses, grantees must submit the following supporting documentation evidencing that the match requirements have been met at the correct match ratio:

- Construction Reimbursement Request Worksheet: Completed worksheets should correspond with the approved construction budget in Standard Form 424C (Budget Information—Construction Programs) and include a copy of approved timesheets and payroll reports, paid invoices with approved requisition forms and cancelled checks
- ARC Construction Performance Progress Report: Completed forms should include a brief narrative describing construction progress and delays. The form must be signed by the grantee

Note that the DCED RSBA disburses payment to grantees on a reimbursable basis – not advance basis. The DCED RSBA will not reimburse grantees for expenditures under construction projects prior to the date of the official Notice to Proceed.

Project Site Visits

During the construction phase, the DCED RSBA will make at least one site visit prior to project completion to ensure that that project is being administered in accordance with applicable federal laws and ARC program regulations. Monitoring will include:

- Construction inspections and review of construction progress
- Review of documentation to evidence compliance with Federal Labor Standards
- Review of project financial records to ensure compliance with applicable OMB financial management, cost principles, and audit requirements. Note that if ARC funds were used in the acquisition of real property, financial records will be reviewed to evidence compliance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended at 42 USC 4601-4655.
- Review of contract administration records to ensure compliance with 2 CFR 200.321 procurement and affirmative action requirements with respect to Equal Employment Opportunity as well as Minority and Women-Owned Business Enterprises

Project Reporting and Grant Closeout

The DCED RSBA must submit Interim and Final Basic Agency Monitoring Reports (BAMRs) to ARC on all construction activities to close out the grant. Data for these reports rely upon the following reports submitted by grantees:

Semi-annual Progress Reports

Semi-annual progress reports must be submitted by the grantee detailing environmental issues, contracting and procurement and construction activities. Detail should also include unusual problems encountered and resolution.

Final Closeout Report

Once all ARC funds are drawn down and the final Compliance and Monitoring Review has been conducted, the project is ready to be administratively closed out.

Grantees must submit a final closeout report on the construction project which:

- Provides a written certification by the grantee to include a detailed summary of the use of ARC grant funds and all matching funds to approved grant activities. The financial summary must provide detail sufficient to permit an audit of expenditures. In situations where the construction project experienced a cost underrun, grantees must report such variances in any approved budget line item so that this can be reconciled by the DCED RSBA. The DCED RSBA will return excess funds to ARC for use in other ARC projects.
- If applicable, the grantee must also provide a written description of the use or disposition of real property acquired with ARC funds.
- Documented performance measurement of project outputs and measurements approved in the original grant proposal (see the Guide to ARC Performance Measures to provide appropriate and accurate assessment of measures)

Audit Requirements

ARC's Office of Inspector General may periodically review ARC-funded activity. The DCED RSBA will not perform a financial audit of the ARC grant but will instead rely on its review of the grantee's payment certifications and processes, which are subject to audit by ARC's Office of Inspector General.

Exhibit I – Appalachian Regional Commission Program

The Appalachian Regional Commission is comprised of thirteen state regional economic development agencies representing a unique partnership of federal, state, and local government. Grassroots participation is provided through consultation with multi-county planning and development organizations and Local Development Districts (LDDs) to support development of Appalachia’s human and community infrastructure. The Appalachian region within the Commonwealth of Pennsylvania consists of fifty-two counties served by the seven LDDs.

ARC funds are leveraged with other federal, state and local money to provide a broad array of small business assistance to the Appalachian region. The priorities for investment of ARC resources are determined essentially to accomplish five long-term strategic goals for Pennsylvania’s economy.

ARC Goals

Goal 1: Economic Opportunities

Invest in entrepreneurial and business development strategies that strengthen Appalachia's economy.

Goal 2: Ready Workforce

Increase the education, knowledge, skills, and health of residents to work and succeed in Appalachia.

Goal 3: Critical Infrastructure

Invest in critical infrastructure—especially broadband; transportation, including the Appalachian Development Highway System; and water/wastewater systems.

Goal 4: Natural and Cultural Assets

Strengthen Appalachia's community and economic development potential by leveraging the Region's natural and cultural heritage assets.

Goal 5: Leadership and Community Capacity

Build the capacity and skills of current and next-generation leaders and organizations to innovate, collaborate, and advance community and economic development.

Exhibit II – Local Development Districts

Local Development Districts and the counties each serves:

Northeastern Pennsylvania Alliance

1151 Oak Street
Pittston, PA 18640
570-655-5581; Fax 570-654-5137
(Carbon, Lackawanna, Luzerne, Monroe, Pike, Schuylkill, Wayne)

North Central Pennsylvania Regional Planning and Development Commission

49 Ridgmont Drive
Ridgway, PA 15853
814-773-3162; Fax 814-772-7045
(Cameron, Clearfield, Elk, Jefferson, McKean, Potter)

Northern Tier Regional Planning and Development Commission

312 Main Street
Towanda, PA 18848
570-265-1500; Fax 570-265-7585
(Bradford, Sullivan, Susquehanna, Tioga, Wyoming)

Northwest Pennsylvania Regional Planning and Development Commission

395 Seneca Street
Oil City, PA 16301
814-677-4800; Fax 814-677-7663
(Clarion, Crawford, Erie, Forest, Lawrence, Mercer, Venango, Warren)

SEDA-COG

201 Furnace Road
Lewisburg, PA 17837
570-524-4491; Fax 570-524-9190
(Centre, Clinton, Columbia, Juniata, Lycoming, Mifflin, Montour, Northumberland, Perry, Snyder, Union)

Southern Alleghenies Planning and Development Commission

3 Sheraton Drive
Altoona, PA 16601
814-949-6500; Fax 814-949-6505
(Bedford, Blair, Cambria, Fulton, Huntingdon, Somerset)

Southwestern Pennsylvania Commission

Two Chatham Center, Suite 500
112 Washington Place
Pittsburgh, PA 15129
412-391-5590; Fax 412-391-9160
(Allegheny, Armstrong, Beaver, Butler, Fayette, Greene, Indiana, Washington, Westmoreland)

Exhibit III – Eligible Applicants for ARC Construction – RSBA Program

Units of General Local Government eligible to serve as applicants for the ARC Construction – RSBA Program

Armstrong County <i>City of Parker</i>	Indiana County	Tioga County
Bedford County	Jefferson County	Union County
Blair County <i>Logan Township</i>	Juniata County <i>City of Carbondale</i>	Venango County <i>City of Oil City</i> <i>City of Franklin</i>
Bradford County	Lackawanna County	Warren County <i>City of Warren</i>
Butler County <i>City of Butler</i>	Lawrence County <i>City of New Castle</i>	Wayne County
Cambria County	Luzerne County <i>City of Nanticoke</i> <i>City of Pittston</i>	Westmoreland County <i>City of Arnold</i> <i>City of Greensburg</i> <i>City of Jeannette</i> <i>City of Monessen</i> <i>City of New Kensington</i> <i>Scottsdale Borough</i>
Cameron County	Lycoming County <i>Loyalsock Township</i>	Wyoming County
Carbon County	McKean County <i>City of Bradford</i>	
Centre County	Mercer County <i>City of Farrell</i> <i>City of Hermitage</i>	
Clarion County	Mifflin County	
Clearfield County <i>City of DuBois</i> <i>Sandy Township</i>	Monroe County	
Clinton County <i>City of Lock Haven</i>	Montour County	
Columbia County	Northumberland County <i>City of Shamokin</i> <i>City of Sunbury</i> <i>Coal Township</i>	
Crawford County <i>City of Meadville</i> <i>City of Titusville</i>	Perry County	
Elk County <i>City of St. Marys</i>	Pike County	
Erie County <i>City of Corry</i>	Potter County	
Fayette County <i>City of Connellsville</i> <i>City of Uniontown</i>	Schuylkill County <i>City of Pottsville</i>	
Forest County	Snyder County	
Fulton County	Somerset County	
Greene County	Sullivan County	
Huntingdon County	Susquehanna County	