

Notice of Request for Applications

Nonprofit Collaboration Incentive Grant Program

The Office of Policy and Management (OPM) announces the release of a Request For Applications (RFA) for the Nonprofit Collaboration Incentive Grant Program (NCIP). Eligible applicants must be a collaboration of two or more nonprofit organizations providing services in Connecticut. The application deadline for consideration for funding is on or before **3:00 p.m. on December 15, 2014.**

The NCIP will distribute grants to qualified 501(c)(3) nonprofit organizations. Applicants may request funding for one-time infrastructure costs to implement consolidations of programs or services resulting from the collaboration of two or more nonprofit organizations. Grant funds may be used for the purchase of, or improvements to, facilities; refinancing of facility loans; equipment purchases; energy conservation, transportation and technology projects; and relocation expenses related to physical consolidation of the collaboration. The amount of available funding is \$1,273,079.

IMPORTANT CHANGES TO THE NCIP RFA

Organizations and/or subcontractors that have received funding in previous rounds of the Nonprofit Collaboration Incentive Program are now eligible to submit an application for this RFA or any other NCIP RFA that may be released in the future.

Applicants applying for Facility Purchase, Facility Improvement or Facility Loan Refinancing Projects are no longer required to file a lien on the property to be purchased, improved or refinanced.

State of Connecticut
Office of Policy and Management
NONPROFIT COLLABORATION INCENTIVE GRANT PROGRAM
Guidelines and Application Instructions

A. INTRODUCTION

The Office of Policy and Management (OPM) is accepting applications for the Nonprofit Collaboration Incentive Grant Program (NCIP). **The application deadline for consideration for funding is not later than 3:00 p.m. on December 15, 2014.**

The purpose of the NCIP is to provide grants for one-time infrastructure costs to implement consolidations of programs and services resulting from the collaboration of two or more nonprofit organizations. The goal of the NCIP is to improve efficiency and effectiveness of services through consolidations and collaborations between and among nonprofit providers currently providing services in Connecticut. The program will distribute grants to qualified 501(c)(3) nonprofit organizations for:

- the purchase of, or improvement to facilities;
- refinancing of facility loans;
- equipment purchases;
- energy conservation; transportation and technology projects; and
- relocation expenses related to physical consolidation of the collaboration

The NCIP is administered in accordance with Connecticut General Statute (C.G.S.) §4-124v. The State Bond Commission is authorized to issue up to \$5,000,000 to award one-time funding to support such collaborations. The current amount of available funding is \$1,273,079 for new projects. The minimum grant amount for a project is \$25,000.

The NCIP is funded by proceeds from State General Obligation Bonds. Use of such funds is subject to review and approval of the State Bond Commission in accordance with Section 3-20 of the Connecticut General Statutes.

The award of any contract pursuant to this Request for Applications (RFA) is dependent upon the review and approval of OPM, the State Bond Commission, and the Office of the Attorney General (OAG).

These Program Guidelines and Application Instructions may be amended at any time as determined necessary OPM.

B. APPLICATION PROCESS TIMEFRAMES

- 1) **Application deadline:** Applications for funding under this program are due to the following address **not later than 3:00 p.m. on December 15, 2014:**

Office of Policy and Management
450 Capitol Avenue
Hartford, CT 06106
c/o Pamela Trotman (Official Contact) MS#52HHS
E-mail: pamela.trotman@ct.gov

- 2) **Questions and answers regarding Program Guidelines and Application Instructions and the Application Form:** Potential applicants can submit questions related to these Program Guidelines and Application Instructions and the Application Form to the Official State Contact through mail or e-mail. The questions must be received by the Official State Contact **not later than 3:00 p.m. on November 12, 2014**. These questions and the related answers will be posted on [OPM's website](#) and [DAS website](#) **not later than 3:00 p.m. on December 3, 2014**.
- 3) **Selection and award process:** Upon completing its evaluation of applications, the Evaluation Committee will submit its recommendations to the Secretary of the OPM. The final selection of any application (s) is at the sole discretion of the Secretary of OPM. Any selected applicant will be notified by OPM and given an opportunity to negotiate a scope of work and amount of a possible grant award contract. If the applicant and OPM reach agreement as a result of these negotiations, an applicant may be required to provide additional documentation that will form the basis of a funding request to the State Bond Commission.

C. ELIGIBLE APPLICANTS

Eligible applicants are a collaboration of two or more nonprofit organizations providing services in Connecticut. Each participating organization of the collaboration must be designated as a 501(c)(3) by the United States Department of the Treasury, Internal Revenue Services (IRS).

Organizations and/or subcontractors that have received funding in previous rounds of the NCIP are eligible for funding.

D. PROGRAM GUIDELINES: The selection of applications will be made on a competitive basis. Applicants and grantees must comply with the following guidelines:

- a) Eligible applicants must be a collaboration of two or more nonprofit organizations providing services in Connecticut.
- b) Grant funds must be used for one-time costs to implement consolidations of programs and services resulting from the collaborative efforts of two or more nonprofit organizations. The term “programs and services” is broadly defined to include joint ventures involving shared business operations, functions, or services.

E. ELIGIBLE PROJECTS:

Project is defined as an undertaking by a collaboration to improve a component of their participant organizations' infrastructure to mutual advantage.

The NCIP will distribute grants to qualified nonprofit organizations for:

- the purchase of, or improvements to, facilities;
- refinancing of facility loans;
- equipment purchases;
- energy conservation, transportation and technology projects; and
- relocation expenses related to physical consolidation of the collaboration

Contingency Funds: Contingency Funds up to 10% of the project will be allowed (Note: Contingency Funds will be held by the state agency and shall only be distributed to a grantee if deemed necessary by the state. Any unexpended funds shall be returned to the Bond Pool).

F. PROGRAM PRIORITIES:

- a) Have existing contracts or agreements with the State of Connecticut to provide health or human services;
- b) Maximize efficiencies gained by streamlining (e.g., those with greater economies of scale or higher ratios of savings over a three-to-five year period that are equal to, or greater than, the grant award received);
- c) Maximize the State's investment by leveraging additional funding from federal or private sources;
- d) Demonstrate and provide details about projected savings and efficiencies due to the consolidation of programs or services;
- e) Demonstrate fiscal stability and show sustainable funding in the out years;

- f) Plan for and encourage additional nonprofit organizations to join the collaboration in the future;
- g) Demonstrate real change (e.g., actual physical consolidation, not merely designating certain staff within one nonprofit organization to perform functions for another nonprofit organization); and
- h) Consolidate larger scopes of shared business operations, functions, or services, including, but not limited to:
 - (1) fiscal and administrative, such as payroll, billing, fee collection, purchasing, and accounting;
 - (2) human resources, such as staff recruitment and screening, health and retirement benefits, and unemployment insurance; and
 - (3) information and technology, such as telecommunication equipment, electronic medical records systems, peripheral devices, cabling, pagers, personal computers and laptops

G. Non-Eligible Costs and Limitations

1) Non-Eligible Costs Include:

- Interior or exterior painting unless part of a larger improvement
- Equipment, furniture, copiers or similar equipment unless part of a larger improvement
- Staffing
- On-going operational costs
- Utilities, supplies, ordinary repairs or maintenance
- Supplanting of Funds. Funding received for any project under this grant program must be used to supplement, and not supplant (take the place of), any federal, state or private funds received for the project
- Any costs incurred prior to the execution of the grant award
- For facility loan refinancing only: facilities owned by individuals or entities that are not participants in the collaboration

2) Program Limitations Include:

- Provisions regarding related party transactions shall be treated the same as in OPM's Cost Standards
- Architectural fees limited to no more than 10% of project costs; applicant may submit justification based on project complexity to exceed this percentage. The Evaluation Committee may utilize "technical advisors" to review proposed architectural and engineering fees

3) Grant Amounts

- \$25,000 minimum cost per project
- Grant typically should not exceed 25% of the combined total annual operating budgets of all nonprofit organizations participating in the collaboration
- Evaluation Committee or OPM Secretary, in consultation with applicant, may modify the amount requested in approving awards

H. OFFICIAL STATE NCIP APPLICATION CONTACT PERSON (i.e. Official State Contact Person) and INQUIRY PROCEDURES

The Official NCIP Application Contact Person is:

Pamela Trotman
Office of Policy and Management
450 Capitol Avenue
MS#52HHS
Hartford, CT 06106
Telephone: (860) 418-6359
e-mail: pamela.trotman@ct.gov

The Official State Contact Person is available to answer questions or provide information regarding the NCIP and the application process. **Written questions must be received by the Official Contact not later than 3:00 p.m. on November 12, 2014.** These questions and the related answers will be posted on OPM's website and DAS's website **not later than 3:00 p.m. on December 3, 2014.**

Please Note: For those planning to submit an application and following the submittal of any application, all questions or contacts related to the application should be directed solely to the Official State Contact Person.

I. APPLICATION CONTENTS AND APPLICATION FORM

The application for this funding program is located on [OPM's website](#) under the link for Request for Proposals and posted on the [DAS website](#). Applications may also be obtained from the **Official State Contact Person**.

1. APPLICATION CONTENTS

The application sections are:

- Part 1 – Collaboration Profile
- Part 2 – Participant Profile (one for each participating organization)
- Part 3 – General Application (one for the nonprofit collaboration)

- Part 4 – Project Application (one for each unrelated project)

Part 1 –Contents of Part 1 - Collaboration Profile

Collaboration profile and information, e.g. name of collaboration, total funds requested, single point of contact name of participating organizations must identify the Fiduciary Agent for the project.

Part 2- Contents of Part 2 - Participant Profile

Each participating organization must complete and submit a Participant Profile.

- A. Organizational profile and information – e.g. name of contact person, address
- B. Description of organization and services provided
- C. List of State funding received in current year, including State agency name, dollar amounts and summary of program types
- D. Questions and Other Information
- E. Certification of Application (*One Certificate of Application for each participating organization*)
- F. The following forms and information (*or an indication that the form is on Biznet*):
 - 1) State of Connecticut, Nondiscrimination Certification (Rev. 07-08-2009) (Form 1)
 - 2) State of Connecticut, Acknowledgement of Contract Compliance, Notification To Bidders (Form 2)
 - 3) State of Connecticut, Contract Compliance Monitoring Report (Parts I-V) (Form 3)
- G. Financial Audits
 - 1) State Single Audit for the two most recent years; if no Single State Audit completed, please submit copies of any independent financial audits and IRS Form 990 (Return of Organization Exempt Form Income Tax) for the two most recent years, plus any additional forms or attachments submitted to IRS with the return. *NOTE: If the State Single Audits for the past two years are on OPM's website, there is no need to submit such audits separately.*

Part 3 -General Application

General Application: *(One General Application form must be submitted by the collaboration)*

Contents of Part 3- General Application:

A. Name of Project:

- 1) A description of the nonprofit collaboration including the programs or services to be consolidated and a summary of the projects to be requested.

Part 4 Project Application *(Note: one application per project unless projects are unrelated).*

A separate Project Application form must be submitted for each project. For example, an organization seeking funding for (1) the implementation of an electronic medical record (EMR) system and (2) the renovation of a kitchen would need to file separate Project Applications (one for the EMR system and one for the kitchen renovation) since these are unrelated projects. On the other hand, an EMR system involving multiple locations would be considered to be one project.

A separate Part 4 Project Application form for projects involving facility purchase, facility loan refinancing or improvements must be submitted for each location.

Contents of Part 4 - Project Application:

A. Purpose and Description of the Project:

- 1) A description of the purpose of the project
- 2) A description of the project including the work to be completed
- 3) A detailed schedule of the timeframe of the project, including cash flow requirements

B. A line-item project budget and narrative, including all funds.

C. A description of the non-NCIP funds to be used for the project, including the sources and assurance that such funds will be available in a timely fashion to complete the project within the contract period.

D. A list of Procurements (e.g. facility purchase, improvements, facility loan refinancing, equipment, energy conservation, transportation or technology needed for the project and a justification and description of methodologies used to develop cost estimates for each). With respect to these procurement cost and estimates:

1. **Facility Purchase, Improvements or Facility Loan Refinancing:** In the absence of a recent appraisal, an applicant may use the municipality's assessed value of the property to help calculate the amount of the grant funding request. This calculated amount is only an estimate for the purposes of the application. If an assessment value of the property is used to help calculate the amount of the funding request, a copy of the assessment must be submitted with the application.
2. **Equipment, Energy Conservation, Transportation and Technology:** An applicant may use a price quote from a vendor or website to help calculate the amount of the grant funding request. This amount is only an estimate for the purpose of the application. If selected for a grant award, the grantee will be required to conduct a competitive procurement process to select a vendor.

E. Benefit and Costs Savings:

- 1) Explain and quantify the anticipated benefits, cost savings, or efficiencies associated with the consolidation. Project annual savings for each of the five years following its implementation. Explain how the nonprofit collaboration intends to use any anticipated cost savings from the consolidation.
- 2) The associated improvements in service effectiveness or in other areas to be achieved as a result of project

F. Questions for facility purchase, improvements or facility loan refinancing only.

G. Forms and submittals for facility purchase, improvements or facility loan refinancing only.

H. Modified Lien Analysis Form. Form 4. The applicant must complete and submit a Modified Lien Analysis Form with the application.

2. Clarifying Information

Applicants may be requested by the Official State Contact or the Evaluation Committee to submit clarifying information related to their application as well as additional information as may be required by the Official State Contact, the Evaluation Committee, the OPM Secretary or the State Bond Commission.

J. SUBMITTAL OF APPLICATIONS; ORIGINAL COPY AND COPIES.

The application deadline for consideration for funding is not later than **3:00 p.m. on December 15, 2014**. Applications must be **received** by the Official Contact on or before the due date and time.

Applicants must submit one (1) original paper application; five (5) conforming paper copies of the original application; and one (1) conforming electronic copy of the original application to the **Official State Contact Person**. The electronic copy must be submitted on a flash drive.

The original paper application must carry original signatures and be clearly marked on the cover as "Original." Unsigned applications will not be evaluated. The original application and each conforming paper copy of the application must be complete, properly formatted and outlined, and ready for review by the Evaluation Committee. For the electronic copy, required forms and documentation may be scanned and submitted in Portable Document Format (PDF) or similar file format.

Faxed or e-mailed applications will not be reviewed or evaluated.

K. EVALUATION AND SELECTION OF APPLICATIONS; GRANT AWARD

- 1. Evaluation Process.** It is the intent of OPM to conduct a comprehensive, fair, and impartial evaluation of applications received.
- 2. Minimum Submission Requirements.** Only applications found to be responsive (that is, in compliance with all instructions and requirements) will be reviewed, rated, and scored. At its sole discretion, the Evaluation Committee may allow applicants to correct applications in order to ensure minimum submission requirements are met.
- 3. Evaluation Committee.** The OPM Secretary will designate an Evaluation Committee to review, rate, and score eligible applications meeting the minimum submission requirements. At its discretion, the Evaluation Committee may seek the assistance of one or more Technical Advisors having special knowledge or expertise to help in its assessment of information submitted in the application.
- 4. Evaluation Criteria (and Points)** OPM has established criteria for reviewing and evaluating applications. To be considered for funding, an applicant must receive

a minimum average rating of 70 points out of 100 points. Bonus points may be added to the final score of any applicant receiving this minimum average rating.

NOTE: As part of its review, the Evaluation Committee will also consider the applicant’s demonstrated commitment to affirmative action, as required by the Regulations of CT State Agencies § 46A-68j-30(10).

5. Evaluation Criteria

Evaluation Criteria
(a) Description of the nonprofit collaboration including the programs and services to be consolidated and summary of the proposed project
(b) Purpose and description of the project including work to be completed and the timeframe for completing the project
(c) Project plans, description and reasonableness and accuracy of cost estimates and project budgets
(d) Maximize efficiencies and effectiveness by streamlining (e.g., those with greater economies of scale or higher ratios of savings over a three -to-five year period that are equal to, or greater than, the grant award received)
(e) Demonstrate fiscal stability and show sustainable funding in the out years
(f) Demonstrate real change (e.g. actual physical consolidation, not merely designating certain staff within the nonprofit organization to perform functions for another nonprofit organization)
(g) Compliance with applicable affirmative action and equal employment opportunity requirements by the provider
<i>Bonus Points may be added to the final score of any application receiving an average rating of 70 points on the application.</i>
(a) Have existing health and human services contracts with the State
(b) Maximize the State’s investment by leveraging additional funding from federal or private sources
(c) Plan for and encourage additional nonprofit organizations to join the collaborations in the future
(d) Consolidate larger scopes of shared business operations, functions, or services including, but not limited to: (1) fiscal and administrative, such as payroll, billing, fee collection, purchasing, and accounting; (2) human resources, such as staff recruitment and screening, health and retirement benefits, and unemployment insurance; and (3) information and technology, such as telephone systems, electronic medical records systems, peripheral devices, cabling, pagers, personal computers and laptops

- 5. Meetings with Applicants.** The Evaluation Committee may request a meeting with an applicant in order to gain a better understanding of the application. The meeting may involve a site visit. If the Evaluation Committee decides such a meeting is warranted, the Official State Contact Person will notify the applicant and provide detailed procedures for the meeting. Any such meeting will be scheduled at the mutual convenience of the Evaluation Committee and the applicant. An applicant must not use a meeting with the Evaluation Committee to supplement, improve, or amend the application. At its sole discretion, OPM may invite only certain applicants to meetings and may limit the number of attendees per applicant.
- 6. Recommendations by the Evaluation Committee.** Upon completing its evaluation of applications, the Evaluation Committee will submit its recommendations to the Secretary of OPM. The Evaluation Committee may recommend all, none, or part of any application to the Secretary of OPM. The Evaluation Committee will generally not recommend for the Secretary's approval a project that received an average score of below 70 points on a scale of 100 from the committee.
- 7. Selection by Secretary.** The final selection of any application is at the sole discretion of the Secretary of OPM. The OPM Secretary has full discretion to accept or reject, in whole or in part, any funding recommendation submitted by the Evaluation Committee.
- 8. Notification by OPM.** Applicants will be notified by OPM as to the status of their applications both for awards and non-awards. Any selected applicant notified by OPM for an award will be given an opportunity to negotiate the scope and amount of a possible grant award contract. As part of this process, the applicant will be required to submit such additional information and documentation as required by OPM (see Section L. of these Guidelines and Instructions). Awards shall not become final unless a grant award contract is fully consummated by all required parties.
- 9. Grant Administration.** If a grant is awarded, OPM, or another state agency selected by OPM, will seek to execute the grant award contract with the successful applicant and to oversee the grantee's implementation of the approved project(s). If OPM is not a party to the contract with the grantee, OPM will continue to exercise its statutory authority related to the overall direction and implementation of the program. The contract is executory and no final commitments can be made until the contract is approved by the Office of the Attorney General.
- 10. Freedom of Information Act.** Applications submitted are the sole property of the State. Applicants are encouraged NOT to include in their applications any information that is proprietary. Applicants are advised that all materials associated with an application are subject to the terms of the Freedom of

Information Act (FOIA), the Privacy Act, and all rules, regulations, and interpretations resulting from them. The FOIA generally requires the disclosure of documents in the possession of the State upon request of any citizen, unless the content falls within certain categories of exemption.

If the information is not readily available to the public from other sources and the applicant submitting the information requests confidentiality, then the information is generally considered to be “given in confidence.” If the applicant indicates that certain documentation is submitted in confidence, by specifically and clearly marking said documentation as CONFIDENTIAL, OPM will endeavor to keep said information confidential to the extent permitted by law. OPM, however, has no obligation to initiate, prosecute, or defend any legal proceeding or to seek a protective order or other similar relief to prevent disclosure of any information pursuant to a FOIA request. The applicant has the burden of establishing the availability of any FOIA exemption in any proceeding where it is an issue. In no event shall OPM or any of its staff have any liability for disclosure of documents or information in the possession of OPM which OPM or such staff believes to be required pursuant to the FOIA or other requirements of law.

- 11. Conflict of Interest.** A conflict of interest exists when a relationship between an applicant and a public official (including an elected official) or State employee may interfere with fair competition or may be adverse to the interests of the State. The existence of a conflict of interest is not, in and of itself, evidence of wrongdoing. A conflict of interest may, however, become a legal matter if an applicant tries to influence, or succeeds in influencing, the outcome of an official decision for personal or corporate benefit. Applicants are required to disclose any current business relationships (within the last three years) that pose a conflict of interest. OPM will determine whether the conflict of interest poses a substantial advantage to the applicant over the competition, decreases the overall competitiveness of the application, or is not in the best interests of the State.

L. INFORMATION AND DOCUMENT REQUIREMENTS-POST SELECTION

If selected for a possible grant award, the applicant will be required to submit additional documentation (listed below) within 60 calendar days after OPM’s Official Contact sends the applicant written instructions to do so. A description of some of the information, depending on the nature of the project that may be required is included below.

NOTE: It is not required to submit this additional documentation with the application. For those applicants selected for a possible grant award, OPM will issue instructions at the conclusion of the evaluation process for submitting the additional documentation.

- 1. Certified Resolution.** The applicant must submit a certified resolution, adopted by the Board of Directors, authorizing the Executive Director or other designated

representative to act on behalf of the Board of Directors to undertake the particular project awarded under this program.

2. Proof of the legal existence as documented by the Secretary of State

3. Facility Purchase and Improvements and Facility Loan Refinancing,

- a) **Appraisals.** If a facility to be refinanced, improved and/or purchased and is valued at less than \$100,000, one independent appraisal is to be prepared and submitted. If the facility to be refinanced, improved and/or purchased is valued at \$100,000 or more, OPM may require that a second independent appraisal be prepared and submitted. For all projects, one appraisal must be done by a MIA-certified appraiser (Member of the Appraisal Institute). The second appraisal, if required, may be done by the financial institution that grants a mortgage, unless the financial institution is the owner of the facility. Any appraisal submitted in fulfillment of the requirements of these instructions must have been prepared within the previous 365 days.
- b) **Engineering or Inspection Report.** The applicant must provide an engineering or inspection report on the facility regarding the presence of lead paint, asbestos, radon, underground storage tanks, or other environmental hazards, including the ramifications of removal or abatement.

NOTE: Removal or abatement costs of potential hazards must be taken into account when requesting grant funds. The majority of pre-1978 construction contains lead paint. If a facility is to be used for residential purposes, strict guidelines concerning lead paint apply if a child age six or under will be living at the facility.
- c) **Owner Statement**
- d) **Mortgage Commitment Agreement.** *As applicable.* Successful applicants (grantees) must provide the State administering agency with a copy of the fully executed mortgage commitment agreement. This is not a letter of intent, but an actual commitment.
- e) **Owner Approval.** *For Facility Loan Refinancing and Improvements.* The owner's written approval of the facility loan refinancing and improvement projects is required for each applicant-leased or applicant-owned facility.
- f) **Agreement to Purchase.** *Facility Purchase*
- g) **Other, as deemed necessary by OPM**

M. GRANT AWARD CONTRACT

OPM or the state agency selected by OPM to administer the grant funds will execute a grant award contract with the successful applicant, which contract shall outline the amount of the grant, the work to be done and the state's terms and conditions. These terms and conditions shall include, but not be limited to, requirements with respect to:

1. **Code Compliance.** All improvement projects must comply with all State or local fire, health and safety codes. Applicants must submit documentation that the facility and site meets (or will meet) all applicable licensing, local and State zoning, building, fire, health, and safety codes for the anticipated use of the facility.
2. **Insurance.** Grantees must require that all contractors bidding on improvement projects have a certificate of insurance covering public liability and worker's compensation. Requirements for public liability and worker's compensation must be stated in the written specification used to solicit bids from contractors. If the selected contractor is a sole employee and, therefore, does not carry worker's compensation, the applicant must state such in the project application.
3. **Performance Bond.** For all improvement projects where the selected contractor's bid is greater than or equal to \$150,000, a performance bond in favor of the State and in an amount not less than 50% of the bid (covering the labor and material of the selected contractor for the improvement project) must be submitted and on file with the State administering agency prior to payment of invoices. This is the mechanism through which the quality and performance of the work being financed with the State's bond funds is guaranteed. It is general practice for contractors in private industry to procure the performance bond. A performance bond is acquired from an insurance or bonding company by the contractor. The requirement for a performance bond must be stated in the written specification used to solicit bids from contractors.
4. **Property Ownership and Control.** Grantees will own any equipment, technology or vehicles purchased with grant funds. Grantees must document the assignment of ownership and usage, and maintain these documents so they are available to the State administering agency. The grantee (owner) will be responsible for the proper insurance, licensing and permitting, and maintenance of all purchases.

Grantees must maintain a property control record for each equipment item with the following information: (1) date of purchase; (2) name and address of

- vendor; (3) year, make, and model of equipment item; (4) serial number; and (5) if applicable, date of disposition; method of disposition; and amount received or trade-in value.
- 5. Change of Ownership or Tenancy.** Grantees must notify the State administering agency immediately of any plans to change ownership or tenancy of a funded facility; as such a change affects that status of the grantee's bond fund contract with the State.
 - 6. Competitive Procurements.** All procurements must be competitive, with written bids in a manner as prescribed by the State agency, with several exceptions. An exception to a "sole source" procurement would be to utilize the services or products of a vendor having proprietary services or patent rights. In such case, an applicant must explain in detail the reasons for requesting the waiver from the competitive procurement requirements and provide supporting evidence of the proprietary services or patent rights. A facility purchase or facility loan refinancing might not necessitate a competitive procurement and would also require an explanation of the reason for waiving a competitive procurement.
 - 7. Repayment for Facility Purchase, Facility Improvement and Facility Loan Refinancing.** If the Grantee discontinues use of the facility improved through this project, the Grantee acknowledges and expressly agrees to make repayment to the State of the amount received for the project, which repayment requirement shall be reduced by 10 percent for each full year the facility is in operation and used by the Grantee beginning with the final payment under the award. If required by law, a lien related to the 10 year repayment requirement shall be filed in the land records of the town in which the facility is located in a manner required by the State. The Grantee would be required to pay the cost of any such filing.
 - 8. Repayment for Equipment, Technology, and Vehicle Purchases.** Each Grantee must commit to the continued use of any equipment, technology or vehicle purchased with grant funds for not less than five years. The Grantee shall return to the State a declining amount (20% each year) during the five-year period for any discontinued use. Discontinued use shall include situations in which the equipment, technology or vehicle is rendered unusable by damage caused by an accident or other cause and is not replaced by the Grantee.
 - 9. Other:** The grant award contract shall also include provisions regarding matters such as fiscal control and reporting, audits, budget modifications, progress reports, methods to request reimbursement for project expenses, return of unexpended funds and/or disallowed costs, and project close-out.