



# TASK 1: PROJECT ADMINISTRATION

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# TASK 1: PROJECT ADMINISTRATION

## Introduction

The administrative responsibilities and activities described in this task reflect the contract management and program development considerations that are integral to the Clean Rivers Program (CRP). The Texas Commission on Environmental Quality (TCEQ) encourages each Planning Agency to hold administrative costs to no more than 10 percent of the total contract budget. This request is made in support of the legislative intent of HB 1190 and its companion, SB 597, amending Section 26.0135(h) filed in February 1997. Administrative costs are expenditures charged under Task 1.

## Contract Initiation and Development

### Work Plan Development

The CRP work plan follows the format provided under the "Work Plan" section of the Guidance. There are seven tasks outlining the work that will be conducted under the contract. Each task in the work plan contains the following sections: objectives, description of work that will be done under the task, and deliverables and their due dates.

*Objectives* - Define the purpose of each task. Objectives are provided in the work plan shell. The Planning Agency should add other objectives in order to address basin priorities.

*Task Description* - Provide a detailed description of the work that will be done to accomplish the task objective(s) and complete the task's deliverables. Describe the level of effort needed to meet task objectives and basin priorities.

*Deliverables and Due Dates* - List the deliverables for each task under that task by ascending order of due date. A list of the deliverables is provided in the work plan shell. The Planning Agency may add other deliverables as needed in order to accomplish the task and address basin priorities. Wherever possible, all deliverables need to have specific due dates.



## Budget Preparation

The cost reimbursement budget is the financial expression of the project as approved during the award process. This budget is included in the contract and will be subject to fiscal monitoring. It is the Planning Agency's best estimate of the costs to successfully complete the contract deliverables *at the time the contract is executed*. It is necessary to submit budget and expense information for *for planning purposes*, as shown in the example below.

Budget Category	Total Allocation
Personnel/Salaries	106,800
Fringe Benefits (___%)	26,700
Travel	9,000
Supplies	6,000
Equipment	21,000
Contractual	57,000
Other	<u>64,000</u>
<b>Total Direct Costs</b>	<b>\$290,500</b>
Indirect Costs (___%)	0
<b>TOTAL COSTS</b>	<b>\$290,500</b>

The proposed budget, and supporting documentation justifying each line item cost, is reviewed, revised, and agreed to by both parties as part of the contract negotiations. For example, if the \$21,000 equipment cost is to purchase two pieces of equipment, a description of the equipment and estimated cost, identified by task, must be specified. When developing the proposed budget, the Planning Agency must follow the latest Uniform Grant Management Standards (UGMS) (<http://governor.state.tx.us/grants/what>) issued by the Governor's Office of Budget and Planning to determine allowable costs.

Items included in the "Equipment" category are typically \$5000 or greater. Items of lesser cost, such as a computer should be included in the "Supplies" category. As stated in Exhibit 1B, certain items that are less than \$5000 are considered "controlled assets" and will need to be tracked on the Equipment Inventory.



### Supporting Documentation Required with the Work Plan

The following items are supporting documentation that will be used to evaluate the work plan and prepare the contract. All but the first of these items are required to be submitted with the draft work plan and, if necessary, revised and re-submitted with the final work plan.

List of Deliverables	Provide a list of deliverables for the biennium in due date order and provide in electronic format with the final work plan.
Budget by Category	Use the budget categories shown in the table above to create the contract budget (see Exhibit 1A for each Planning Agency’s CRP allocation for the contract period)
Budget by Task	For each task, list the estimated amount that will be expended for each fiscal year.
Personnel Eligibility List (PEL)	List all employees whose salaries will be wholly or partially funded by the CRP (see Exhibit 1G). Add any special notes to ensure PEL information can be reconciled against payroll and personnel records (e.g. salaries estimated based on X, or salaries include projected pay increases).
Fringe Rate Methodology	List all the types of expenses that will be included to calculate the rate and show the how those expenses are calculated (see Exhibit 1G). <b>Provide date(s) when the fringe rate will be adjusted each year, if applicable.</b>
Allocated Costs Documentation	For those Planning Agencies that have developed rates for the use of equipment, supplies, office space, telephone, printing or computer services, etc., explain the method by which these expenses will be charged.
Equipment Purchase Request	List all the equipment that you plan to purchase within the biennium. Any additional purchases must have prior written approval from the TCEQ CRP Project Manager.
Sub-recipients/ Vendors	List all the tasks and/or sub-tasks (deliverables and lab support) that may be completed by a sub-recipient or a vendor and the approximate cost for each.
Indirect Cost Rate Proposal	Describe the method for calculating reimbursement for indirect costs accompanied by required documentation. See Exhibit 1B for options.
Certification of Procurement Process	A written certification that the Planning Agency’s procurement procedures conform to and reflect applicable state and local laws. Use the form provided in Exhibit 1I.
Training and Conferences	List any non-CRP training events or conferences that are planned or expected in support of each task. Any conferences or training events not provided on this list must be approved by the TCEQ CRP Project Manager prior to incurring costs for such events.



## Time Frame for Submission of Work Plan and Supporting Documentation

To ensure contracts are implemented at the beginning of the State Fiscal Year, a time frame for submission, review, and approval is outlined. In the second fiscal year of the biennium, the schedule is:

May 1	Work plan and supporting documentation due to CRP Project Manager
May 1 - 31	Review by CRP Project Manager
May 31	CRP Project Manager's comments sent to Planning Agency
June 1 - 15	Planning Agency addresses comments
June 15	Planning Agency submits final work plan, and revised supporting documentation when necessary

## Deliverables and Due Dates

### Review of Deliverables by TCEQ

The CRP Project Manager requires *30 days to review* deliverables received from a Planning Agency and either approve them or request revisions. If a deliverable is submitted late and the CRP Project Manager does not have 30 days to review it before the associated reimbursement request is received, then the reimbursement request may be rejected and reconsidered 30 days after the delinquent deliverable is received. If the deliverable is incomplete or requires revision, then the reimbursement request will be rejected until the deliverable is approved. The progress report is the only exception to this process, since only 15 days are required for review.

If a *revised due date for a deliverable* has been approved by the CRP Project Manager, then the deliverable is not considered late on the original due date, and the processing of reimbursements will not be delayed. All deliverables must follow CRP guidelines and format, as stated in this guidance, and must be of acceptable quality before the deliverable is considered complete and reimbursement requests will be processed. The Planning Agency must address all comments provided by the TCEQ staff before submitting the revised deliverable to the CRP Project Manager.

### Requesting Extension of a Due Date

When a deliverable cannot be completed and submitted to the TCEQ on or before the due date, it is the Planning Agency's responsibility to inform the CRP Project Manager as soon as possible. At least one week before a deliverable is due, the Planning Agency must submit a letter or e-mail stating: the reason for delaying a deliverable, the anticipated completion date, justification for extending the due date, and any other pertinent information. The CRP Project Manager will approve or disapprove this request. The deliverable will be considered late if the request is not approved by the CRP Project Manager. If the CRP Project Manager approves the extension, a document stating approval and referencing the change will be transmitted to the Planning Agency to confirm the approval. The progress report for the period must summarize the status of the delayed deliverable(s), indicate the date TCEQ provided approval of the extension, and specify the anticipated/actual submittal date.

## Progress Reports

Progress reports (see example in Exhibit 1D) serve as an important form of communication for documentation of task activities and as a deliverable-tracking system. The progress report summarizes the Planning Agency's activities for each task and identifies problems and delays. The progress report is due on or before the 15<sup>th</sup> day of the month following the end of each quarter. The



last progress report for the biennium is due on August 31<sup>st</sup> because the contract cannot include deliverables outside the contract period. The progress report and attached documentation of activities conducted during the quarter are considered deliverables for the quarter they represent, and activities related to each expense should be represented on the progress report.

### **Format and Contents**

The progress report contains three sections: Deliverable Status, Description of Activities, and Monitoring Activities.

The *Deliverable Status* form lists all deliverables (in order by date due) and provides specific information on submittal dates and circumstances regarding each deliverable. If a due date is revised, the Planning Agency must keep the original due date in the Date Due column and indicate the new due date in the Comments column, along with the date the CRP Project Manager approved the revision.

The *Description of Activities* form enables the Planning Agency to provide a detailed textual description of activities conducted under each task for each quarter. This information is important to provide a description of the types of activities and level of effort conducted under each task for a specific quarter. Even if there is no deliverable directly associated with an activity, the work or activity needs to be described in the most appropriate Task.

The *Monitoring Activities* form details the number of sites visited and types of samples taken during the quarter. If a sampling event did not take place as scheduled, the reason why and the anticipated make-up date should be provided. Descriptions of these occurrences and a discussion of any special studies (or other monitoring activities) can be provided on the *Description of Activities* form.

### **Conference Calls**

Conference calls are an important method of communication for the CRP. It is important for each Planning Agency to have a representative present for each call. If a Planning Agency is unable to participate in a conference call, it must notify its CRP Project Manager if they will not attend. The Planning Agency will then be responsible for contacting the CRP Project Manager for the missed information.

### **Training Events and Conferences**

The TCEQ may offer training courses throughout the contract period. Planning Agencies are encouraged to take advantage of these courses. It is advisable to consider at least two training events per year with the TCEQ when developing budgets and work plans.

To a limited extent, in-kind program participants may participate in TCEQ training events, however, pre-approval must be obtained from the CRP Project Manager beforehand. Because of factors such as limited space, cost, etc., pre-approval is necessary to ensure the training is efficient and effective. When factors are not limiting, in-kind participants are encouraged to participate in TCEQ sponsored training. Expenses associated with such participation are allowable and reimbursable under the contract.

Charges associated with training and/or conferences other than those hosted by the CRP are allowable if the event provides a benefit to the program. Such training events and/or conferences must be requested with the Work Plan, or otherwise be pre-approved by the CRP Project Manager. If



a training event is not pre-approved prior to incurring costs associated with the event, costs may not be reimbursed.

## **Annual Independent Audit**

All Planning Agencies that receive a combined total greater than \$500,000 from the federal government and Texas state government agencies are required to have an annual independent audit conducted pursuant to applicable state law, regulations, and policies (UGMS, State of Texas Single Audit Circular). The Texas Water Code (Section 49.195) requires River Authorities and water districts to submit an annual independent financial audit to the TCEQ's Water Utilities Division for review. The Planning Agency Project Manager needs to verify each year (March 1) that the audit was submitted to the TCEQ's Utilities and Districts program.

## **Reimbursement Procedures**

The TCEQ reimbursement schedule is based on the state fiscal year (September 1- August 31). Reimbursement of expenses will be made on a quarterly basis. It is the responsibility of the CRP Planning Agency to ensure the CRP Project Manager receives accurately completed reimbursement requests and required supporting documentation. When forms or documentation are incomplete, incorrect, illegible, or if deliverables have not been received by the due date, reimbursement request processing may be suspended.

**The set of tables in Exhibit 1B describes each budget category and the documentation required for processing a reimbursement request. These tables are a *very useful resource* when preparing to submit a reimbursement request to the TCEQ.**

## **Due Dates**

### ***Quarterly Reimbursement***

The Planning Agency's reimbursement request is due at the TCEQ on the 30<sup>th</sup> of the month following the end of each quarter. The CRP Project Manager will begin review of the reimbursement request no sooner than the 30<sup>th</sup> of the month, or 15 days after the Progress Report is received, whichever is later. The timely receipt of accurate reimbursement requests is a performance measure used in the annual performance evaluation.

### ***Final Payment***

The final reimbursement request is due at the TCEQ no later than 60 days following the termination date of the contract. The TCEQ has the authority to refuse payment for any costs incurred within the term of the contract which are not submitted within 60 days after the termination date of the contract.

As a condition for final payment, the Planning Agency shall execute and deliver to the TCEQ a written release of all claims against the TCEQ arising under this contract.

### ***Reimbursement Request and Review***

The TCEQ has developed a checklist for the review of all reimbursement requests that is provided in Exhibit 1F. It is recommended that the CRP Planning Agency establish an internal system to review its reimbursement request prior to submission. If all required forms and documentation are received on time and are correct, the CRP Project Manager will process the reimbursement request using the guidelines of the Prompt Payment Act. However, because payment guidelines in the Prompt



Payment Act do not apply to outgoing grants, the time lines for finalizing review and payment of reimbursement requests may not exactly follow the Prompt Payment Act guidelines.

The following items are required before a reimbursement request can be processed:

- all required financial reimbursement forms are submitted, and the forms are legible, signed and dated, and completed correctly
- expenses for activities correlate with the reported activities in the Progress Report
- all expenses are described and allowable, with supporting documentation (Exhibit 1B)
- there is no deficit balance for any cost category that shows zero budgeted funds
- all water quality monitoring activities, including special studies, are conducted under an approved Quality Assurance Project Plan (QAPP), unless prior **written** approval is obtained from TCEQ
- all deliverables are submitted to TCEQ that were due within, and up to, this expense reimbursement period and have been approved by the CRP Project Manager
- documentation indicating approval by CRP Project Manager to delay a deliverable due date (e.g., copy of email, fax, or letter responding to Planning Agency's request)
- final reimbursement request is accompanied by a release of claims letter to the TCEQ

### ***Documentation Required for Allowable Cost Categories***

The Planning Agency will maintain documentation to show the work performed is a justifiable CRP activity, and that the expense was paid by the Planning Agency. The contract specifies the documentation that must be maintained and/or submitted for each cost. The Planning Agency shall make available for review, during fiscal compliance monitoring and upon request by the TCEQ staff, the financial information and data used by the Planning Agency or its designee (including independent financial auditors) in the preparation or support of any cost submission or cost (direct and indirect).

### ***Allowable/Unallowable Costs***

The TCEQ uses the UGMS to review the proposed budget and reimbursement requests to ensure only allowable costs are charged to the CRP. UGMS "Attachment A - The General Principles for Determining Allowable Costs" states that,

these principles are ... based on the fundamental premises that: (1) Governmental units are responsible for the efficient and effective administration of federal and state awards through the application of sound management practices (pg. 9).

In order to be allowable under federal or state awards, costs must, be necessary and reasonable for proper and efficient performance and administration of federal or state award (pg. 13).

A reasonable cost is further defined as a cost that, does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost (pg. 13).

It is the responsibility of the Planning Agency to be familiar and in compliance with the UGMS. The Planning Agency must contact its CRP Project Manager regarding questions of allowability and/or allocability. A more complete description of allowable and unallowable costs is contained in the UGMS on the Web at <http://governor.state.tx.us/grants/what>.

**Allowable Costs:** *Direct* costs are all costs which can be directly related to performance of the contract activities. A document describing the budget categories for allowable direct costs is provided



in Exhibit 1B, titled, "Budget Categories and Documentation Required to Process Reimbursement Requests."

*Indirect Costs* are those that have been incurred for common or joint purposes which cannot be readily identified to a particular contract without a disproportionate effort. A related concept is the allocation of shared costs, for example, when a Planning Agency charges a portion of the costs of space as a direct cost. See Exhibit 1B, Indirect Costs, for further description of requirements for applying indirect costs to the budget. An indirect cost rate greater than 10% will necessitate an audit by an independent certified public accountant, which specifically examines and reports the indirect costs for the biennium.

The TCEQ will only reimburse the Planning Agency for allowable costs considered reasonable and necessary to carry out the grant contract activities. Water quality monitoring activity costs are allowable only if they are conducted under an CRP approved QAPP. An allowable cost may not be a reimbursable cost if there is no line item cost approved in the budget or described in the contract.

**Unallowable Costs:** If an unallowable cost is submitted, that cost is deducted from the requested reimbursement amount before the request is processed. The following is a list of some unallowable costs which are not reimbursable by the TCEQ. This is **NOT** an all inclusive list:

- Contingencies (contribution to reserve) - excludes contributions to self-insurance fund, pension plan reserves, post- retirement health and benefit
- Contributions/Donations - includes cash, property, and services, by governmental units to others, regardless of the recipient
- Defense/prosecution of civil or criminal proceedings (exceptions)
- Entertainment
- Fines, Penalties, or Interest
- Fund raising and investment management (exceptions)
- Indirect or direct costs unsupported by required documentation
- Lobbying expenses
- Gratuities/Tips
- Travel costs that exceed the State of Texas reimbursement rates and guidelines

***Reimbursable Costs***

All allowable, approved line item costs incurred during the time period indicated on the Financial Status Report (FSR) (TCEQ Form 20248) are costs that the Planning Agency either:

*paid* prior to claiming reimbursement from the TCEQ—"CASH METHOD"

- Examples:
- supplies purchased at an office supply store with a check
  - monthly salaries paid on the last day of the time period

**or**

*incurred* by the last day of the time period and paid no later than 45 days after the end of the time period—"ACCRUAL METHOD"

- Examples:
- supplies purchased and charged to the Planning Agency credit card on the last day of the time period. Planning Agency pays credit card bill in full on the 25th of each month.
  - monthly salaries paid on the first day of the month after the end of the period.



### **Questioned or Disallowed Costs**

Any reported cost may be questioned by the CRP Project Manager in order to determine whether it is allowable. A questioned cost will be referred back to the Planning Agency's Project Manager for clarification and may be disallowed if sufficient justification is not provided. A disallowed cost is one that is not allowable according to UGMS, not specified in an executed contract, and/or a cost for which there is no approved budget line item. A quarterly reimbursement request, desk review, or an on-site fiscal monitoring visit may result in either questioned or disallowed costs.

The Planning Agency may accept or dispute any questioned or disallowed cost. If the Planning Agency accepts the disallowance, they must inform the CRP Project Manager of this acceptance. Non-response within 30 days of notification by the TCEQ will indicate acceptance of the disallowance (including questioned cost). If the Planning Agency elects to dispute the disallowance, the Planning Agency must submit additional written justification/documentation to the CRP Project Manager within 30 days of notification. If upon further review, the TCEQ allows the cost, the CRP Project Manager informs the Planning Agency of the procedure to obtain reimbursement.

If the disallowed and/or questioned cost is disallowed after the additional submitted documentation is reviewed, the CRP Project Manager informs the Planning Agency in writing of the disallowance. The Planning Agency may submit a written request to the TCEQ CRP Section Manager to review the decision. The Section Manager will review the documentation within 30 days and either allow or disallow the disputed cost. The Planning Agency may request a review of the Section Manager's decision by the TCEQ CRP Division Director. If the Division Director concurs with the disallowance, the Planning Agency may appeal the decision to the TCEQ Deputy Director. If the Deputy Director concurs, the Planning Agency may request a review by the TCEQ Executive Director, who is the final arbiter.

## **Contract Management**

### **Contract Changes**

The Planning Agency may request a modification to the existing contract by submitting a written request to the CRP Project Manager. The request must include the proposed modification and its purpose in the appropriate format, and if affected by the modification, a revised budget and/or a scope of work for the affected task(s).

Generally, a *major change* will require an amendment to the contract and may include one or more of the following:

- an increase or decrease in the TCEQ obligation amount
- an extension or shortening of the term of the contract
- a significant change in the scope of work

An amendment will include a description of the proposed modification(s) and must be approved by the CRP Project Manager, the Program Manager, and TCEQ contract staff, as well as the Planning Agency's authorized representative. The Planning Agency must send in all requests for an amendment at least 60 days before initiating the change to allow ample processing time.

After receiving the written amendment request, the CRP Project Manager will draft an amendment describing all changes. After review and approval by the appropriate TCEQ staff, three copies of the



amendment documentation will be sent to the Planning Agency for review and approval. After the Planning Agency has signed the amendment, all three copies must be mailed back to the CRP Project Manager for TCEQ signature. A final signed copy will be returned to the Planning Agency for their records.

A *minor change* will require the written agreement of the both the TCEQ's and the Planning Agency's Project Managers. A copy of the agreement approving the minor change will be sent to the Planning Agency for its records. An extension of a deliverable due date, if approved by the TCEQ Project Manager, is a sample of a minor amendment.

### ***Budget Revisions***

It is the Planning Agency's responsibility to regularly compare actual costs to budgeted costs and inform the CRP Project Manager of potential budget revisions. Budget line item revisions often occur as a project progresses due to changing conditions, more accurate estimates of work, additional supplies required, and so on. Moving funds between budget categories will require sign-off from the CRP Project Manager and the Planning Agency's authorized representative. A Budget Revision Request Form (Exhibit 1G) must be completed and submitted to the CRP Project Manager. No budget change is effective until it is signed by the TCEQ's designated representative. Budget revisions should be submitted as needed.

### **Procurement of Sub-recipients or Vendors**

The use of sources other than the CRP Planning Agency to complete portions, or all, of the CRP contract involves a number of steps to define how procurement, subcontract provisions, payment and oversight will be handled. These steps are complex and there are many instances where errors can be introduced into the process. Proper planning will reduce or eliminate the risk of error. Effective contract management is dependent on the interaction of the following elements:

Plan – Identify contracting objectives and contracting strategy.  
Procurement – Fairly and objectively select the most qualified contractors.  
Rate/Price Establishment – Establish processes that are cost-effective and aligned with the cost of providing the goods and services.  
Contract Formation – Ensure the contract contains provisions that hold the contractor accountable for producing desired results.  
Contract Oversight – Monitor and enforce the terms of the contract.

The new State of Texas Contract Management Guide generally describes the steps and elements and provides practical suggestions and best practices for contracting. Some of its text was borrowed for this portion of the CRP guidance and excerpts are included for quick reference in Exhibit 1C.

### ***Procurement Procedures***

There is no single "right" way to contract. Various types of purchases and contracts may require different practices, processes and strategies for successful implementation. The planning agency should use its own procurement procedures which reflect applicable state and local laws and regulations. The procurement procedures must be available for review during on-site visits, and may be audited or requested at any time by the TCEQ.

### ***Procurement Deliverable to the TCEQ***

The planning agency's procurement procedures and solicitation documents for subcontracts are not deliverables to the TCEQ, however, the CRP Project Manager needs some subcontract information to



adequately administer a contract and review invoices. The CRP Project Manager may request a planning agency to submit technical specifications on proposed procurements, *so it is important to communicate with them in advance about any subcontract plans*. In addition, the following information will be sent to the CRP Project Manager upon execution of subcontracts.

- Procurement Method Used (e.g. IFB, RFP - with or without prices, RFQ)
- Copy of fully-executed subcontract

The TCEQ may request additional procurement or subcontract documentation to be submitted during a desk review. See the checklist in Exhibit 1C for maintaining on-site subcontract administration files.

### ***Procurement Methods***

The procurement method chosen will be a major factor affecting time and steps in the planning process for developing subcontracts. The table in Exhibit 1C is an excerpt from Chapter 2 of the State of Texas Contract Management Guide and is provided to assist in selection of the appropriate procurement type. After the procurement method is determined, the solicitation document is prepared. Chapter 3 of the State of Texas Contract Management Guide provides information about preparing solicitations ([www.window.state.tx.us/procurement/pub/contractguide/](http://www.window.state.tx.us/procurement/pub/contractguide/)).

### ***Evaluation Criteria***

The solicitation document (e.g. IFB, RFP, RFQ) must advise the respondents how subcontract proposals will be evaluated. The evaluation criteria must reflect the essential qualities or performance requirements necessary to achieve the objectives of the subcontract. The criteria should allow the proposals to be fairly evaluated. The State of Texas Contract Management Guide provides a sample evaluation criteria in Chapter 3. The Planning Agency must maintain documentation for each procurement showing the best subcontractors were fairly and objectively selected.

### ***Subcontract Provisions***

There are a number of provisions that are necessary for any subcontract. Certain considerations should be addressed before proceeding with a contract or agreement. For instance, when acquiring data management, Web site development, or mapping services, clauses regarding intellectual property, data, and publicity are absolutely necessary. The contract between the TCEQ and the Planning Agency lists a number of provisions that must be considered for inclusion in any subcontract for the protection of both the Planning Agency and the TCEQ. These provisions must be evaluated individually for any subcontract to determine their applicability. The subcontract should also include payment and oversight provisions. The State of Texas Contract Management Guide Chapter 6 explains general rules regarding contract formation and essential clauses, and Appendix 9 provides sample contract terms, but these resources do not replace the advice of an attorney. **ALWAYS CONSULT AN ATTORNEY FOR LEGAL ADVICE CONCERNING CONTRACTS.**

### ***Payment Type***

The payment type must be sufficient to ensure the Planning Agency pays fair and reasonable prices for services. Payments should be structured to fairly compensate the contractor and encourage timely and complete performance of work. Payments should be approximately equal to the value of the completed work and should be in accordance with the contract rate schedule. A description of the different payment types is provided in Exhibit 1C which is an excerpt from Chapter 3 of the State of Texas Contract Management Guide.

The circumstances of the procurement may impact the payment type that may be used. Specifically, a cost analysis must be performed for professional, consulting, and architectural or engineering



services contracts, sole source procurements, and when adequate price competition is lacking, such as intergovernmental contracts with universities or local governments. Invoices for these subcontracts must show actual costs as listed on the TCEQ Financial Status Report (20248 and supplement forms), including profit for private entities. Profit, if applicable, must be listed as a fixed amount at the beginning of the contract and not a multiplier based on another cost.

### ***Oversight of Sub-Recipients and Vendors***

The Planning Agency is responsible for assuring the subcontractor's compliance with performance and fiscal requirements outlined in applicable laws, regulations, and the subcontract itself. The oversight of subcontractors must be sufficient to ensure public funds are spent effectively and efficiently for quality services. Chapter 7 of the State of Texas Contract Management Guide covers four general administration and oversight processes, including: planning, monitoring performance, payment approval and change management. Exhibit C includes an excerpt from Chapter 7 which is a checklist for assembling a master contract administration file to document these processes.

### ***Subcontractor Evaluations***

Planning Agencies will be required to submit to the TCEQ performance evaluations of subcontractors performing work under CRP. The Contractor Evaluation form (Exhibit 1H) will be completed and submitted with each contract year's 4<sup>th</sup> quarter progress reports in order to document performance of subcontractors.

### ***Historically Underutilized Business***

The TCEQ encourages the use of historically underutilized business (HUB) participation in procurement and contracting processes and recommends the Planning Agency make a *good faith effort* (GFE) to assist HUBs in receiving contract awards issued by the State. A good faith effort demonstrates that equal opportunity is provided to underutilized minority and women-owned business enterprises in procurement and vendor purchases. Planning Agencies (and subcontractors) shall make an effort to acquire services, supplies, and equipment through a certified HUB vendor.

A HUB is a business formed for the purpose of making a profit in which at least 51% of the ownership is by a person(s) whose business enterprises have been historically socially disadvantaged because the owner(s) is a member of the following groups: Black American, Hispanic American, Asian Pacific American, Native American, and Women.

### ***HUB Certification***

In order to qualify for status as a HUB, vendors or subcontractors must be certified through the Texas Comptroller Office (CPA). When the Planning Agencies utilize a HUB service, the correct vendor identification number must be used (obtained by calling the CPA at 512/463-5872 or on the Internet at [www.window.state.tx.us/procurement/prog/cmb1/](http://www.window.state.tx.us/procurement/prog/cmb1/)). A Planning Agency may encourage a vendor to apply for HUB certification with the Comptroller, if the vendor may qualify as a HUB. Applications for HUB certification may be obtained by calling the CPA.

## **Contract Monitoring**

Fiscal monitoring includes a review of financial information to determine fiscal integrity and compliance with fiscal, state, and contractual requirements. It ensures state funds are spent properly and accurately accounted for, deliverables are received on schedule, contractor performance is evaluated, deficiencies are corrected, and invoices are adequately supported by reasonable assurance that the agency got what it expected and paid appropriately. A risk-based approach



dictates that not every transaction requires 100 percent scrutiny. By performing desk reviews and on-site fiscal monitoring visits, the TCEQ can allow contractors to provide limited back-up documentation with its reimbursement requests and maintain the documentation for periodic review during desk reviews and/or site visits.

## **Performance Self Evaluation**

As recommended by the State Auditor's Office, Planning Agencies will be evaluated by their CRP Project Managers annually, using the Contractor Evaluation form (Exhibit 1H). This form will be utilized by TCEQ staff in establishing a risk-based methodology for prioritizing and tailoring desk and on-site fiscal reviews. The Planning Agency will use the form to do a self-evaluation, and send a copy to its CRP Project Manager. The CRP Project Manager will then do his or her evaluation. A copy of the completed evaluation will be sent to the Planning Agency, which may send its written comments on the evaluation to its CRP Project Manager. The Planning Agency may request a meeting with the Project Manager to discuss the evaluation.

## **Risk Assessments**

The TCEQ performs a risk assessment of contractors to establish monitoring work schedule priorities for each fiscal year. The CRP Planning Agencies are monitored annually by either a desk review or a site visit, based upon the risk assessment.

## **Desk Reviews**

Annual submission documentation is reviewed in-house by a TCEQ fiscal monitor. Planning Agencies will be notified 30 days before the invoice due date when they must provide the additional supporting documentation listed in the tables in Exhibit 1B. The TCEQ notice of the desk review will specify the documentation each Planning Agency must provide. It is important to read the notice as some desk reviews may not require all of the information listed in Exhibit 1B. Planning Agencies scheduled for a site visit will not be required to have a desk review that year.

## **Site Visits**

Based upon the risk assessment, some Planning Agencies will be scheduled for a contract fiscal monitoring site visit. An on-site visit involves a thorough review of records for one or more quarters to verify accuracy of reporting and adequacy of fiscal management processes.

## **TCEQ Compliance Audits**

The TCEQ internal audit group may elect to conduct an audit of financial and program records of individual Planning Agencies throughout the contract period.



# **Exhibit 1A**

## **FY 2010-2011 Budget Allocations**



**EXHIBIT 1A  
FY 2010 - 2011 BUDGET ALLOCATIONS**

<b>Planning Agency</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>Total Allocation</b>
BRA (12)	421,580	421,580	843,160
GBRA (17 & 18)	143,341	143,341	286,682
HGAC (9, 10, 11, 13)	1,022,416	1,022,416	2,044,832
IBWC (23)	282,973	282,973	565,946
LNRA (16)	105,139	105,139	210,278
LCRA (14 & 15)	404,256	404,256	808,512
ANRA & LNVA (6 & 7)	349,164	349,164	698,328
NETMWD (4)	105,139	105,139	210,278
NRA (20, 21, & 22)	274,136	274,136	548,272
RRA (1 & 2)	329,419	329,419	658,838
SARA (19)	209,403	209,403	418,806
SRA (5)	331,490	331,490	662,980
SRBA (3)	105,138	105,138	210,276
TRA (8)	416,406	416,406	832,812
<b>TOTALS</b>	<b>\$4,500,000</b>	<b>\$4,500,000</b>	<b>\$9,000,000</b>



**Exhibit 1B**

**Budget Categories and Documentation  
Required to Process  
Reimbursement Requests**



**Budget Categories and Documentation Required  
to Process Reimbursement Requests - Exhibit 1B**

<p><b><u>PERSONNEL/SALARY:</u></b> Compensation of employees for the time devoted and identified specifically in the performance of CRP tasks.</p>	<p><b><u>REFERENCES</u></b> UGMS <u>Part II</u>, Att B, (11)(h) CRP Contract Costs &amp; Payments 1.9 <u>and</u> 2.14</p>
<p><b><u>QUARTERLY</u></b> TCEQ-20248-1 listing: - employee name; - title/position; - salary for the period; and - task number(s) worked.</p> <p>PELs should be submitted annually with the 1<sup>st</sup> quarter invoices. ALL Employee Changes require a revised Personnel Eligibility List (PEL) (Exhibit II) to be submitted with the applicable quarter's invoice, including hire date for new employees and date last employed on project for employees no longer working on project. <u>Add any special notes</u> to ensure PEL information can be reconciled against payroll and personnel records (e.g. salaries are estimated based on X, or salaries include projected pay increases).</p>	<p><b><u>SITE VISIT or DESK REVIEW</u></b> <u>Time Sheets</u> must: -reflect an <u>after-the-fact distribution</u> of actual activity; -account for <u>total activity</u> for which the employee is compensated; -be prepared <u>at least monthly</u> and must <u>coincide with</u> one or more <u>pay periods</u>; -be <u>signed</u> by the employee and supervisory official having first hand knowledge of the worked performed;</p> <p>Reports from <u>electronic</u> timekeeping systems must meet the above standards.</p> <p>Charges for salaries should match <u>payroll documentation</u>.</p> <p><u>Personnel files and policies</u> must be available for on-site or desk reviews.</p>
<p><b><u>FRINGE BENEFITS:</u></b> Costs of leave, insurance, social security and Medicare contributions, pensions, unemployment benefit plans, etc.</p>	<p><b><u>REFERENCES</u></b> UGMS <u>Part II</u>, Att B, (11)(d) <u>and</u> Att C, E(3)(d), <u>and</u> Att E, F(1) CRP Contract Authorized Expense Budget 1.1</p>
<p><b><u>QUARTERLY</u></b> Show <u>calculation</u> on TCEQ-20248-1 using the <u>most recent approved rate</u>, or specify if benefits are adjusted to actual. No additional documentation is required with the reimbursement request.</p>	<p><b><u>SITE VISIT or DESK REVIEW</u></b> <u>Itemize</u> employee benefits with percentages and/or cost for each employee listed on the Personnel/Salary Section of TCEQ-20248-1. Benefits must be granted according to <u>established written policies</u> which should available for on-site or desk reviews.</p>
<p><b><u>TRAVEL:</u></b> Costs (within State rates) of transportation, lodging, meals, and related expenses for employees traveling on CRP business. Travel costs for committee members and volunteers <u>cannot</u> be reimbursed without prior written authorization from TCEQ project manager.</p>	<p><b><u>REFERENCES</u></b> UGMS <u>Part II</u>, Att B, (43) CRP Contract Costs &amp; Payments 1.10 <u>and</u> 2.14 State of Texas Travel Allowance Guide (Comptroller)</p>
<p><b><u>QUARTERLY</u></b> TCEQ-20248-1 listing: - Name of Traveler; - Date(s) of travel; - Destination and purpose of travel, including titles of workshops, training, or meetings; - Mode of transportation (personal car, agency vehicle, rental car, airplane, etc.); - Costs for meals, lodging, and transportation (including mileage); and - Task(s) to which each activity applies.</p> <p><i>Progress Report</i> should include <u>brief explanation</u> of how the activity supports the CRP.</p>	<p><b><u>SITE VISIT or DESK REVIEW</u></b> Copies of <u>receipts</u> for hotel accommodations, public transportation, airfare, rental cars, and meals (when available), etc. A signed and approved travel reimbursement invoice may be provided if all of the required information is recorded.</p> <p><u>Mileage logs</u> for agency vehicles used for CRP travel should be available for on-site or desk reviews.</p> <p><u>Travel policies</u> should be available for on-site or desk reviews.</p>



**Budget Categories and Documentation Required  
to Process Reimbursement Requests - Exhibit 1B (cont'd.)**

<p><b>Supplies:</b> Costs for materials necessary to carry out the program. This includes equipment with a purchase price (including freight) of less than <u>5,000</u>.</p> <p>Examples: Chemical/Gases, Fuels /Lubricants, Computer Software/Supplies, Office Supplies, Medical Supplies, Cameras, Computers, Furniture/Equipment (&lt; \$5,000). The CRP has designated the following purchases to be controlled assets which should also be included in the planning agency's Equipment Inventory control system:</p> <ul style="list-style-type: none"> <li>-Laptop Computers            -Digital Projectors</li> <li>-GPS Receivers                -Laboratory Equipment</li> <li>-Monitoring equipment (Multiprobes, flow meters, etc)</li> </ul>	<p><b>REFERENCES</b></p> <p>UGMS <u>Part II</u>, Att B, (30) and <u>Part III</u>, Subpart C, (33) and (36)(d)</p> <p>CRP Contract Costs &amp; Payments 2.15</p> <p>State of Texas Purchase Policies &amp; Procedures Guide</p>
<p><b>QUARTERLY</b> TCEQ-20248-2 listing materials and supplies purchased for the program and task correlation.</p> <p>Itemization should be sufficient to allow TCEQ to determine the allowability of the cost. <u>No receipts are required</u> to be submitted unless the project manager requests records to verify allowability.</p>	<p><b>SITE VISIT or DESK REVIEW</b> Copies of <u>purchase orders</u> or vendor-submitted <u>invoices</u> marked received, approved for payment, with date received, category and funding source charged to, date of payment, or <u>copy of check</u>. Written justification and <u>calculation worksheets</u> must be available for costs <u>allocated</u> between two or more funding sources. <u>Procurement records and procedures</u> must be available for on-site and desk reviews.</p>
<p><b>Other:</b> Direct cost items not identified and explained in the above categories. Examples: rent, laboratory expenses, utilities, telephone, data processing services, printing and reproduction, postage and shipping, contract clerical or other personnel, contract CPA or bookkeeping services, janitorial services, exterminating services, security services, insurance and bonds, equipment repairs or services, books, periodicals, memberships.</p>	<p><b>REFERENCES</b></p> <p>UGMS <u>Part II</u>, Att B and Att C</p> <p>CRP Contract Costs &amp; Payments 2.15</p> <p>State of Texas Purchase Policies &amp; Procedures Guide</p>
<p><b>QUARTERLY</b> TCEQ-20248-2 listing:</p> <ul style="list-style-type: none"> <li>-Description such as number of months cost covers (e.g., 3 months rent @ \$/mo.)</li> <li>-Task correlation.</li> </ul> <p>Itemization should be sufficient to allow TCEQ to determine the allowability of costs. <u>No receipts are required</u> to be submitted unless the project manager requests records to verify allowability.</p>	<p><b>SITE VISIT or DESK REVIEW</b> Copies of <u>purchase orders</u> or vendor-submitted <u>invoices</u> marked received, approved for payment, with date received, category and funding source charged to, date of payment, or <u>copy of check</u>. Written justification and <u>calculation worksheets</u> must be available for costs <u>allocated</u> between two or more funding sources. <u>Procurement records and procedures</u> must be available for on-site and desk reviews.</p>



**Budget Categories and Documentation Required  
to Process Reimbursement Requests - Exhibit 1B (cont'd.)**

<p><b>Equipment:</b> Tangible, nonexpendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more. UGMS allows state awarding agencies to specify special treatment for items of equipment with costs under \$5,000.</p>	<p><b>REFERENCES</b>                  UGMS <u>Part II</u>, Att B, (16), (20) <u>and</u>  <u>Part III</u>, Subpart C, (3), (32) and(36)                  CRP Contract Costs &amp; Payments 2.13 <u>and</u> 2.16                  CRP Contract General Conditions 2.14 <u>and</u> 2.15 <u>and</u>                  3.3.7                  State of Texas Purchase Policies &amp; Procedures Guide</p>
<p><b>QUARTERLY</b> TCEQ-20248-3 listing:                  - Description of equipment                      - Serial #                  - Unit cost    - Total cost                  - Task Correlation.</p> <p><u>Receipts are required</u> for costs itemized in this category. In lieu of a receipt, a purchase order, an invoice (marked paid), a canceled check, or other evidence of payment may be submitted.</p> <p>Submit an updated <u>Equipment Inventory List</u> (Exhibit 1J) for all additions/changes.</p> <p>Equipment costing less than \$5,000 may be reported under either the ‘supplies’ or ‘equipment’ categories. However, all equipment, including CRP-designated controlled assets, must be listed in the equipment inventory. TCEQ may disallow the cost of equipment purchased without the Project Manager’s prior approval.</p>	<p><b>SITE VISIT or DESK REVIEW</b> Copies of <u>purchase orders</u> or vendor-submitted <u>invoices</u> marked received, approved for payment, with date received, category and funding source charged to, date of payment, or <u>copy of check</u>. Written justification and <u>calculation worksheets</u> must be available for costs <u>allocated</u> between two or more funding sources.</p> <p><u>Procurement records and procedures</u> must be available for on-site and desk reviews.</p> <p>All CRP purchased <u>equipment</u> will be available for <u>inspection</u> during compliance monitoring.</p> <p>Planning Agencies should contact the project manager for <u>disposition instructions</u> when equipment needs to be replaced or is no longer needed for the program.</p>
<p><b>Contractual:</b> Costs include those services or consulting that are provided by a firm or individual, not employed by the Planning Agency, and are not covered under the “Other” category.</p>	<p><b>REFERENCES</b>                  UGMS <u>Part II</u>, Att A, Section B (22)                  CRP Contract Costs &amp; Payments 1.12 <u>and</u> 2.16                  CRP Contract General Conditions 2.18, 4.1-4.12 <u>and</u> 8.3                  State of Texas Contract Management Guide</p>
<p><b>QUARTERLY</b> TCEQ-20248-3 listing all subcontractor costs either incurred or paid during the period, including: - contractor name;                  - description of activities performed;                  - date(s) performed;                  - cost; and                  - task correlation.</p> <p>If costs are documented by more than one invoice for a contractor (e.g. monthly), list them separately. The project manager may request additional supporting documentation, including documentation of procurement, to verify allowability of costs.</p>	<p><b>SITE VISIT or DESK REVIEW</b> <u>Subcontracts</u> or <u>purchase orders</u>, and vendor-submitted <u>invoices</u> marked received, approved for payment, with date received, category and funding source charged to, date of payment, or <u>copy of check</u>. <u>Procurement records</u>, including <u>solicitations</u> and <u>selection</u> documentation, and <u>procurement procedures</u> must be available for on-site and desk reviews.</p> <p>The Planning Agency is responsible for ensuring its subcontractor(s) maintain and submit all reimbursement documentation required for financial monitoring and/or audit. Subcontractors’ documentation must be available for on-site and desk reviews and upon request by the TCEQ staff. The Planning Agency must monitor its subcontractors to ensure they stay within the determined budget, all work is performed on time, &amp; that quality deliverables are received.</p>



**Budget Categories and Documentation Required  
to Process Reimbursement Requests - Exhibit 1B (cont'd.)**

<p><b>Indirect Costs:</b> Costs incurred for a common or joint purpose benefitting more than one cost objective and not readily assignable to the cost objectives specifically benefitted without effort disproportionate to the results achieved.</p>	<p><b>REFERENCES</b>                  UGMS <u>Part II</u>, Att A, Sections F, G, H and Att E                  CRP Contract Authorized Expense Budget 1.1 <u>and</u> 1.3                  CRP Contract Costs &amp; Payments 1.13                  CRP Contract General Conditions 2.25</p>
<p><b>QUARTERLY</b> Financial Status Report (TCEQ-20248) line “j” specifying the authorized rate and including a total cost not exceeding the rate authorized in the contract.</p>	<p><b>SITE VISIT or DESK REVIEW</b>                  Option 1: <u>Approved rate agreement</u> from the federal cognizant agency or state coordinating agency, or independent <u>audit</u> which specifically examined indirect costs, &amp; subsidiary worksheets &amp; supporting documentation                  Option 2: <u>10%</u> of direct salaries (excluding fringe). No supporting documentation is required                  Option 3: No indirect costs, direct bill all costs</p>



## **Exhibit 1C**

# **Excerpts from State of Texas Contract Management Guide**



**EXHIBIT 1C**  
**Excerpts from State of Texas Contract Management Guide**

<b>Procurement Method</b>	<b>Use When</b>	<b>Advantages</b>	<b>Disadvantages</b>
<p><b>Competitive Bids</b>  (Invitation for Bids)</p>	<p>Lots of competition exists.</p> <p>The product or service is available from more than one source.</p>	<p>Award process is simpler.</p> <p>Award is made to the lowest responsive, responsible bidder providing the best value to the State.</p>	<p>Defined specifications may be difficult to develop.</p> <p>Does not encourage innovative solutions.</p>
<p><b>Competitive Proposals</b>  (Request for Proposals, Request for Offer)</p>	<p>When factors other than price are evaluated.</p> <p>When negotiations are desired.</p> <p>Vendor is expected to provide innovative ideas.</p>	<p>Allows factors other than price to be considered.</p> <p>Allows for customized proposals suggesting different approaches to the same business need.</p> <p>Allows for negotiations in order to obtain the best value for the state.</p>	<p>Lead times for procurement are much greater.</p> <p>Evaluations are more complex and subjective.</p>
<p><b>Request for Information</b></p>	<p>There is insufficient information to write specifications for any procurement method.</p>	<p>Provides information to prepare a complete bid or proposal document.</p> <p>Allows the business community to have input into the agency's solicitation document based on current industry practices and market factors.</p> <p>Informs agency of any potential problems early in the procurement.</p>	<p>Lengthens the procurement process.</p>
<p><b>Request for Qualifications</b>  [This method is usually required by statute (e.g. Professional Services)]</p>	<p>Selection is made solely on the skills and qualifications of the contractor. Price is not a factor until after a vendor is selected.</p>	<p>Emphasizes the competency of the proposed contractors.</p>	<p>Contractor is selected before price is negotiated.</p>



Exhibit 1C contd.

Payment Type	Commonly used for:	Payment based on:
<b>Cost Reimbursement</b>	Client services contracts, usually associated with state and federal grants.  <b>Example:</b> Contracts for services in remote areas.	Reimbursement of allowable costs. See the Uniform Grants Management Standards published by the Governor’s Office. ( <a href="http://www.governor.state.tx.us/grants/what">http://www.governor.state.tx.us/grants/what</a> )
<b>Cost Plus Incentives</b>	Materials contracts wherein the materials are unknown at the time of contract award.  <b>Example:</b> Construction contracts	Contractor’s cost plus a percentage of cost or cost plus a fixed fee. This type of payment is usually discouraged as there is no incentive for the contractor to minimize the cost to the State.
<b>Fee For Service</b>	Contracts wherein a fee can be established for a unit of service.  <b>Example:</b> Providing flu shots to patients. Unit of service is one flu shot.	A specific fee for a unit of service. Payments are made for each unit of service completed.
<b>Firm Fixed Price</b>	Contracts wherein a firm fixed price can be established for work to be performed. Requires that the statement of work provide clear and accurate specifications.  <b>Example:</b> Common goods and services such as office supplies, furniture, etc.	A firm fixed price at the time the contract is awarded. Contractor carries all risk as the payment does not change, regardless of how much it costs the contractor to provide the goods or services.
<b>Firm Fixed Price with Escalator</b>	Same as above and for longer term contracts and or contracts where the costs of material and labor are subject to market fluctuations. Because the contract allows for market adjustments, contractors are less likely to inflate prices to protect themselves against possible increases in operating costs.  <b>Example:</b> Lumber, steel, paper	Same as above except includes a provision for price escalation. Escalators are typically based on the Consumer Price Index.
<b>Progress</b>	Construction contracts or contracts that are completed in phases or stages. <b>Example:</b> Building Construction, Consulting Services	Payment is based on pre-established deliverables. Deliverables must be measurable. <i>See note below.</i>
<b>Time and Material</b>	Labor contracts wherein the amount of labor or material required for the work cannot be forecast. Recommend other payment types if possible. For example – instead of paying the contractor \$25 per hour for labor plus the cost of the materials, establish pricing for common units of work such as “labor and material to install a 120 power outlet”.  <b>Example:</b> Electrician, plumber, carpenter, etc.	Payment is based on the number of hours worked for a specific scope of work, i.e. install a 120 power outlet.

**Exhibit 1C contd.****The Contract Administration File**

Keeping one complete master contract administration file is critical. The file will provide a basis for settling claims and disputes should they arise in administrative or court actions. The TCEQ may request review of these items during contract fiscal monitoring desk reviews or site visits. Throughout the life of the contract, the contract administration file should contain such things as:

- A copy of the current contract and all modifications;
- A copy of all specifications, drawings or manuals incorporated into the contract by reference;
- A reference list or a list of prior contracts with this specific vendor (if they offer valuable historical data);
- The solicitation document, the contractor's response, evaluation determination, and the notice of award document;
- A list of contractor submittal requirements;
- A list of government furnished property or services;
- A list of all information furnished to the contractor;
- A copy of the pre-award conference summary, if conducted;
- A schedule of compliance review, internal correspondence, if applicable;
- A copy of all general correspondence related to the contract;
- The originals of all contractor data or report submittals;
- A copy of all routine reports required by the contract such as sales reports, pricing schedules, approval requests, and inspection reports;
- A copy of all notices to proceed, to stop work, to correct deficiencies, or change orders;
- A copy of all letters of approval pertaining to such matters as materials, the contractor's quality control program, prospective employees, and work schedules;
- The records/minutes of all meetings, both internal and external. Include sign-in sheets and/or agendas;
- A copy of all contractor invoices, information relative to discount provisions for prompt payment, letters pertaining to contract deductions or fee adjustments;
- A copy of all backup documentation for contractor payment or progress payment; and copies of any audits.



# **Exhibit 1D**

## **Progress Report Format**



**EXHIBIT 1D  
PROGRESS REPORT FORMAT  
DELIVERABLE STATUS\***

FY 08 Quarter 1, September 1, 2007 through November 30, 2007

<b>Task</b>	<b>Task Description</b>	<b>Date Due</b>	<b>Date Submitted</b>	<b>Comments</b>
2A	Basin-wide QAPP Receipt and Commitment Letters	10/15/07	10/15/07	Three of three QAPP participants signed letters and these were faxed to TCEQ.
2B	Specified sections of the Basin-wide QAPP posted to the Web	10/31/07	10/31/07	Copy of updated webpages sent via email to TCEQ.
5A	Preparation Meeting for Basin Summary Report	11/01/07	10/20/07	Meeting held at TCEQ offices in Austin.
6A	Questionnaire for Steering Committee Mtg.	11/15/07	11/15/07	Copy of questionnaire was submitted to the TCEQ via email for review and comment prior to sending to steering committee members.
6A	Contact Steering Committee members to promote/confirm participation and review response against Membership Guidelines	11/30/07	11/15/07	Will follow-up on those that do not respond within 30 days.
6B	Develop Web site as outlined in the Web Site Requirements	11/30/07	11/30/07	Provided copies of web pages to TCEQ for review and comment.
1A	Progress Report	12/15/07	12/15/07	Submitted in spreadsheet by email attachment. Hard copy sent via mail.
3A	Monitoring Status Report	12/15/07	12/15/07	See the Progress Report.
6C	Maintain web site and provide summary of updates and/or copies of revised pages	with PRpt	12/15/07	Summary of updates provided to TCEQ, attached to Progress Report.
6I	Public Participation & Outreach Activities	with PRpt	12/15/07	No activity this quarter.
6J	Volunteer Monitoring Activities	with PRpt	12/15/07	Supported volunteer group.

**\* An electronic spreadsheet of this document will be required to be submitted with the final work plan.**



**PROGRESS REPORT FORMAT  
DESCRIPTION OF ACTIVITIES**

A River Authority of Texas

Clean Rivers Program Contract No. **582-6-12345**

FY 08 Quarter 1, September 1, 2007 through November 30, 2007

Describe CRP activities conducted for each Task in the current quarter. This information will be used to explain and justify expenses incurred on the reimbursement request.

TASK	DESCRIPTION OF ACTIVITIES
<b>1.0 Administration</b>	Met with CRP Project Manager on November 10 <sup>th</sup> to review status of contract deliverables
<b>2.0 Quality Assurance</b>	Cadmium data for 2nd quarter sampling not reportable from station 15833 due to holding time violation. Corrective action report provided. Data from LIMS was reviewed against field data sheets for data entry and reasonableness errors once a week throughout the quarter.
<b>3.0 Water Quality Monitoring</b>	Could not sample Flash Flood Creek in May due to dangerous weather conditions and stream bank erosion. See attached detail sheet showing the number of sites visited and the types of samples collected throughout the quarter.
<b>4.0 Data Management</b>	Data management personnel entered data into the database, reviewed data for entry errors, and conducted final data formatting in preparation for upcoming data submittal deliverable.
<b>5.0 Data Analysis and Reporting</b>	Collected all the data and information to begin data analysis for the Basin Summary Report. Reviewed Task 5 and developed a scenario for conducting the data review and report format. Met with CRP Project Manager on October 20 <sup>th</sup> to receive input on preparation of the Basin Summary Report.
<b>6.0 Stakeholder Participation and Public Outreach</b>	Prepared and mailed-out a questionnaire requesting input on agenda topics for upcoming Steering Committee Meeting. Contacted five representatives from Steering Committee list to request their attendance, ask for additional potential attendees, and obtain input on any presentations or presenters that would be helpful.
<b>7.0 Special Projects</b>	No activity this quarter.



**PROGRESS REPORT FORMAT  
MONITORING ACTIVITIES**

FY 08 Quarter 1, September 1, 2007 through November 30, 2007

MONITORING TYPE	MONTH	MONITORING EVENT DESCRIPTION	PARAMETERS MONITORED
ROUTINE	September	5 sites in Lower River Watershed	field, conventional, bacteria, flow was collected at 3 sites, other two have USGS gages
	November	7 sites in Middle River Watershed	field, flow (at four sites, other 3 were reservoirs), conventional, bacteria, metals in water and metals in sediment at 2 sites
SYSTEMATIC	October	2 systematic sites in Clear Creek watershed	field with flow, conventional, bacteria
	November	3 systematic sites in Silty Creek watershed	field with flow, conventional, bacteria
PERMIT SUPPORT	September	Receiving Water Assessment, City of Here, Permit No.#####-###	fish, benthics, habitat, field, flow, conventional, 24 Hr DO
	September	Monthly Flow, City of Here, Permit No.#####-###	instantaneous flow
	October	Monthly Flow, City of Here, Permit No.#####-###	instantaneous flow
	November	Monthly Flow, City of Here, Permit No.#####-###	instantaneous flow
SPECIAL STUDY	November	Wetland Bayou Study	field, flow, hardness, metals in water and sediment (Cd, Zn, Pb)



# **Exhibit 1E**

## **Budget Revision Form**



## EXHIBIT 1E BUDGET REVISION REQUEST FORM

**Purpose:** For TCEQ review and approval of recipient organization proposed budget changes to ensure project deliverables are met and fiscal accountability.

**Instructions:** Complete 1. - 7. Enter the amount of the change or amendment on the appropriate line(s) in Column "8". Add each line entry in Column "7" to the line entry in Column "8". The amounts in Column "9" represent the new or revised budget line items. **Justification:** Provide a reason for each line item change (e.g., placement of expenses in appropriate category. Budget estimate insufficient to meet project deliverables, etc.)

\*\*Moving funds between budget categories that cumulatively equal greater than 10% is considered a major change, and will require sign-off from the CRP Program Manager and the Planning Agency's authorized representative.

1. RECIPIENT ORGANIZATION: (NAME & COMPLETE ADDRESS INCLUDING ZIP CODE):			
2. GRANT/CONTRACT TITLE:		3. PAYEE IDENTIFICATION NUMBER:	
4. TCEQ CONTRACT NUMBER:		5. TOTAL PROJECT/GRANT PERIOD:	
6. BUDGET CATEGORIES:	7. Approved Budget	8. Change Requested (+ or -)	9. New or Revised Budget
a. Personnel/Salaries			
b. Fringe Benefits			
c. Travel			
d. Supplies			
e. Equipment			
f. Contractual			
g. Construction			
h. Other			
I. Total Direct Costs (Sum a - h)			
j. Indirect Costs			
k. Total (Sum I & j)			
Justification: (Attach additional sheets, if necessary)			

\_\_\_\_\_  
Signature of Authorized Certifying Official

\_\_\_\_\_  
Signature of TCEQ Representative

\_\_\_\_\_  
Typed or Printed Name and Title

\_\_\_\_\_  
Typed or Printed Name and Title



# **Exhibit 1F**

## **Contractor Evaluation Report**



## EXHIBIT 1F CONTRACTOR'S PERFORMANCE EVALUATION REPORT

\_\_\_\_\_ Final Report (Check only if the contract has ended and this is the last Performance Report)

Today's Date: \_\_\_\_\_ Evaluation Period: From \_\_\_\_\_ to \_\_\_\_\_ Report No. \_\_\_\_\_ of \_\_\_\_\_

Contractor: \_\_\_\_\_ Contract No./Purchase Order No.: \_\_\_\_\_

Project Name (if applicable): \_\_\_\_\_ Phase (if applicable): \_\_\_\_\_

Date of Last Report: \_\_\_\_\_ Date of Program's Last Site Visit: \_\_\_\_\_

Brief Description of Work: \_\_\_\_\_

Performance Category	Ratings				Comments
	<u>Exceeds Expectations</u> Score = 3	<u>Satisfactory Performance</u> Score = 2	<u>Marginal Performance</u> Score = 1	<u>Unsatisfactory Performance</u> Score = 0	
<i>Quality &amp; Accuracy of the Work</i>					Please provide a narrative description for ratings of one or below (attachments are acceptable).
<i>Timeliness of the Work</i>					
<i>Financial &amp; Progress Reports</i>					
<i>HUB</i>					
<i>Communication</i>					
<i>Cost Control</i>					
<i>Technology</i>					
<i>Other (describe)*</i>					

Evaluator's Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Division: \_\_\_\_\_ Section: \_\_\_\_\_

*\*Requires an attachment describing category and rating description which corresponds.  
Note: Please see specific definitions for each performance category and an explanation for each score on following page.*



**CONTRACTOR’S PERFORMANCE EVALUATION REPORT - CATEGORY DESCRIPTIONS**

**EXHIBIT 1F CONTD.**

<b>PERFORMANCE CATEGORY</b>	<b><u>EXCEEDS EXPECTATIONS</u> (Score = 3)</b>	<b><u>SATISFACTORY PERFORMANCE</u> (Score = 2)</b>	<b><u>MARGINAL PERFORMANCE</u> (Score = 1)</b>	<b><u>UNSATISFACTORY PERFORMANCE</u> (Score = 0)</b>
1. <u>Quality and Accuracy</u> Quality, sufficiency, and accuracy of contract-required work, including work or tasks performed by subcontractors	Work product always, with rare exceptions, of excellent quality. No revisions required.	Work product of satisfactory quality with only typical errors and omissions, which were corrected upon request.	Work product is acceptable, although many errors and/or omissions had to be corrected prior to product being acceptable.	Work product not acceptable or of very low quality, with many errors and omissions noted. Not all errors and omissions corrected.
2. <u>Timeliness</u> Timeliness with respect to completing contract-required work and/or work-related tasks, including work performed by subcontractors	All tasks and contract deliverables on time or ahead of schedule. Quality of work did not suffer as a result of the time line.	Some intermediate task delays, not expected to cause major deadlines to be missed or to require contract extension. Prior approval granted for any other delays.	Some major work performance delays caused (or expected to cause) delivery schedules to be missed.	Required work product not completed on time, due to factors that should have been under contractor’s control.
3. <u>Reports</u> Accuracy, adequacy, and timeliness of contract-required activity/progress reports, notifications, financial reports, invoices, pay requests and other required documents, excluding HUB reports	All reports accurate and complete, as well as on time. No rewrites or additional information required.	Reports satisfactory with respect to both quality and timeliness. Contractor responded quickly and appropriately to questions or comments raised.	Numerous errors and/or omissions corrected prior to reports being acceptable (or reminders of reports due were required to be sent). Reports not later than 5 working days.	Reports consistently of poor quality and/or late. Contents inadequate to permit interpretation or analysis. Reports more than 5 working days late.
4. <u>HUB</u> Contractor’s achievement of (or continued responsiveness toward) contract-contained HUB subcontracting goals and/or Good Faith Effort (GFE) requirements, including timely and accurate submittal of contract-required HUB-related reports	Prime consistently meets or exceeds (and has adequately documented) the HUB goals established in contract, or consistently meets and documents HUB GFE requirements.	Contractor’s HUB/GFE activities satisfactory, although not all goals achieved or reported in a timely manner.	Reports either not received on time, or have lacked information necessary to fully document GFE or other HUB subcontracting commitments.	Contractor did not meet (or did not document) the HUB goals established in the contract.
5. <u>Communication</u> Contractor’s accessibility, responsiveness, and cooperativeness with respect to any contract-related concerns communicated by the Contract Manager; plus contractor’s demonstrated relationship with subcontractors	Contractor consistently maintains excellent standing with subcontractors, including timely payments. Works as a team member and is flexible and responsive to changes in circumstances or scope of work.	Contractor is usually flexible and responsive to changes in circumstances or scope of work. Generally maintains good standing with subs, and ensures that they are paid promptly.	Contractor is only intermittently responsive to changes in contract scope or other circumstances. Marginal team player. Failed to make timely payments to subs on one or two occasions.	Not flexible to changes in scope or other circumstances. Not cooperative or accessible. Failed to maintain good standing with subs and failed to make payments on more than two occasions.
6. <u>Cost Control</u> Contractor’s cost control effectiveness and/or budget management skills	Contract performed at or below allowed cost, with no loss of quality.	Contract performed at less than 5% above allowed cost with adequate quality	Contract performed at 5 - 10% above allowed cost.	Contract performed at >10% above allowed cost.
7. <u>Technology</u> Contractor’s demonstrated technical competence and/or expertise (including competence and expertise of subcontractors); plus contractor’s innovativeness and willingness to apply, within the limitations of the contract, new techniques or technologies	Contractor is comfortable with and applies current proven technology. But is familiar with, and willing to use, latest techniques and solutions where such are appropriate.	Contractor is capable of applying current proven technology. Is aware of, but not experienced in the use of latest techniques and solutions.	Contractor usually uses more basic technology to solve contract problems. Is aware of, but has little or no experience in the use of more current proven techniques and solutions.	Contractor can only apply basic technology to tasks. Requires direction concerning appropriate technology and solutions.
8. <u>Other</u> DESCRIBE	DESCRIBE	DESCRIBE	DESCRIBE	DESCRIBE



**Exhibit 1G**

**Personnel Eligibility List  
&  
Fringe Benefits Methodology**





**EXHIBIT 1G (contd.)  
FRINGE BENEFITS METHODOLOGY**

This form provides a format that can be modified to show how fringe benefits are budgeted and invoiced. You may provide rate computations in your own format or by adding columns to the PEL, in lieu of this form.

**Contractor:** \_\_\_\_\_ **Date:** \_\_\_\_\_.

**Fringe benefits are invoiced (check one):**     specifically identified to each employee  
 using established rates updated annually in \_\_\_\_\_  
(specify month)

Fringe Benefits (Based on Salaries Paid)	Cost Per Month	Annual Cost (A)	% Time to Contract (B)	Contract Annual Cost (A x B)
Retirement Matching (Specify)				
FICA Matching				
Social Security %				
Medicare %				
Insurance				
Medical				
Dental				
Vision				
Life				
Workers Compensation				
Unemployment Benefits				
FUTA				
SUTA				
Other Benefits (Specify)				
<b>Total Annual Cost (Fringe Benefits)</b>				<b>\$</b>



# **Exhibit 1H**

## **Equipment Inventory Format**



**EXHIBIT 1H  
EQUIPMENT INVENTORY FORMAT**

<b>Contract No.</b>	<b>Item Description</b>	<b>Serial No.</b>	<b>Item Amount</b>	<b>Date Purchased</b>	<b>Location</b>	<b>Working Condition</b>	<b>Comments</b>
582-0-8141_	600 MHz Computer w/ CR-RW, 30 Gig HD, 19" Monitor	3493322	\$1450	05/01/00	Main Office Rm 201	Good	Use as CRP GIS computer and as River Authority's data storage unit
582-2-8141_	Hydrolab	853-4762	\$8000	07/02/00	Upper Basin Field Office	Needs new membrane	For CRP use in lake monitoring
582-4-8141_	Automatic Sampler	001399	\$2500	08/21/00	Main Office Storage Room	Missing messenger	For CRP use
582-6-8141_	Flow Meter	388-SJ99	\$6500	11/14/00	Main Office Field Equipment Room	Good	For CRP use
582-6-4442_	GPS Unit	G7754-01	\$5000	10/15/01	Main Office Storage Room	Good	For CRP use and River Authority's use



# **Exhibit 1I**

## **Procurement System Certification**



**EXHIBIT 11  
PROCUREMENT SYSTEM CERTIFICATION**

**PROCUREMENT SYSTEM CERTIFICATION**

APPLICANT'S NAME (Organization)		
APPLICANT'S ADDRESS		
SECTION I – INSTRUCTIONS		
The applicant must submit this certification prior to the procurement of sub-recipients or vendors. This document is a certification that the applicant will use procurement procedures which reflect applicable state and local laws and regulations as outlined in the Uniform Grant Management Standards (UGMS).		
SECTION II - CERTIFICATIONS		
A. I affirm that the applicant has within the past 2 years certified to TCEQ that its procurement system complies with applicable state and local laws and regulations as outlined in the Uniform Grant Management Standards (UGMS). The date of the last Procurement System Certification was:		MONTH/YEAR
B. I, as an authorized representative of the applicant, CERTIFY that the applicant's Procurement System meets all applicable state and local laws and regulations as outlined in the Uniform Grant Management Standards (UGMS).		
List the title and date of all applicable procurement system policy and/or procedure documents. These documents must be made available to the TCEQ upon request.		
PRINTED NAME & TITLE:	SIGNATURE:	DATE:

**SECTION I - INSTRUCTIONS**

The applicant must complete and submit a copy of this form prior to the procurement of subcontracts or vendors. If the applicant has certified its procurement process to TCEQ within the past 2 years and the system has not been substantially revised, complete Part A in Section II, then sign and date the form. If the system has not been certified within the past 2 years, complete Part B, then sign and date the form and send to the appropriate TCEQ Project Manager at: TEXAS COMMISSION ON ENVIRONMENTAL QUALITY, CLEAN RIVERS PROGRAM, MC 234, P.O. BOX 13087, AUSTIN, TX 78711-3087.