

Grantee Questions Regarding The Nonprofit Grant Program (NGP) Contracting Process
Round 8
July 26, 2024

Questions and answers are listed alphabetically by topic

Appraisal

Q1. If our last appraisal was over 1 year ago but was well in excess of our current award , do we still need a new one?

A1. As per the **NONPROFIT GRANT PROGRAM Round 8 Guidelines and Application Instructions** (below), the appraisal(s) must have been completed within the past 365 days.

Facility Improvements, New Construction, Property Acquisition or All Other Projects Associated with Section B.2.a:

a) Appraisals.

If the NGP funding for the project is less than \$150,000, one independent appraisal conducted by a MAI Certified appraiser, is to be prepared and submitted. If the NGP funding for the project is \$150,000 or more, OPM may require that a second independent appraisal be prepared and submitted. 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.

Certified Resolution

Q1. What is a certified resolution? Is there a particular format required?

A1. The certified resolution is enacted by the Board of Directors after the date of award (May 8, 2024 for the majority of grantees) signed by the Secretary of the Corporation and is specific to the awarded project or purchase. While there is not a single required format, the requirements specified in the NGP Round 8 Application Instructions and Guidelines Section I. 2. (see below for section language) must be met. A Sample Board Certified Resolution may be found at https://portal.ct.gov/-/media/opm/hhs/nonprofit-grant-program/ngp-round-8-2023/secretary-certificate-and-resolution_sample.docx.

Section I. 2. A certified resolution is 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 and to execute the Notice of Grant Award. The certified resolution must include the name and title of the authorized representative, the name of the project for which the grant has been awarded, and the amount being awarded from the Nonprofit Grant Program for the project.

Changes to Project or Purchases Requested in the Application

Q1. In general, how exactly does the request have to match the final purchase? Are we obligated to purchase those exact vehicles (as proposed) or is there flexibility to purchase different sized vehicles?

A1. Grantees may **not** make any changes to the projects or purchases requested in the application(s) submitted for funding under NGP Request for Applications published August 23, 2023 and awarded to the majority of grantees on April 10, 2024. All applications were subject to a comprehensive review and evaluated based on the

information submitted at the time of the application. Any changes to the application would be unfair to other applicants whose submissions were not selected for funding.

Competitive Procurements

Q1. Are we expected to put this project out to bid and have the procurement process completed within the 90-day period?

A1. Procurements do not have to be completed prior to Contract Execution. (See **Insurance Documentation, Q4**, below)

Q2. Are we able to select a contractor or do we need to go through a bidding process?

A2. A bidding process is required, as per the NGP Special Grant Conditions, Item 10 (below).

Q3. Also, for purchase of vehicles can we just select a company to purchase or do we have to bid out?

A3. The only exceptions to this requirement are those identified in in Item 10, (1) and (2) below.

Q4. How many bids are required?

A4. Three bids must be obtained.

Q5. What are the requirements for submitting a waiver request to the competitive procurement process?
Is there a process for requesting approval for a sole source justification?

A5. Requests for waivers may be submitted only for the reasons (1) and (2) defined below. There is no template for requesting waivers or sole source vendors.

10. All procurements must be the result of a competitive bid process, with written bids, except for (1) a land purchase associated with new construction or addition project and (2) if a vendor has proprietary services or patent rights. Requests to waive the competitive procurement process for reasons as defined in items 1 and 2 above, shall be submitted to the State administering agency for review and approval with an explanation and supporting documentation for such wavier.

Q6. Are there specific guidelines or procedures that we must follow in documenting the competitive bid process for OPM approval before selecting a vendor?

A6. No, each grantee should conduct the bid process according to its own policies and procedures.

Q7. For example, does the bid need to be publicly announced in certain publications? Or, can our agency send a written bid invitation directly to potential bidders/vendors who can submit a bid at their discretion?

A7. See Q&A 6 above.

Q8. Are we required to provide all of the submitted bids to OPM as proof of the bidding process?

A8. No

Q9. Does there need to be a formal bid opening?

A9. See Q&A 6 above.

Q10. Are we required to submit the results of the bid review and evaluation process, including selection of the approved vendor?

A10. No

Q11. Are we allowed to use bids we received at the grant writing stage?

A11. Yes

Q12. Do we need to do public competitive bidding where we advertise in the newspaper or can we solicit 3 bids ourselves?

A12. See Q&A 6 above.

Contract Package Submission

Q1. Should the contract documents be submitted as individual files or as a single .pdf file?

A1. Each document should be submitted as an individual file. All documents should be sent at the same time, attached to one email.

Environmental Inspection

Q1. Do we need an environmental inspection if we had one before we bought the property in 2020?

A1. As long as no changes have been made to the property since that time, the report written at the time of the 2020 inspection is acceptable.

Q2. Does the environmental report need to be done inside or outside the building?

A2. As the requirement includes hazards that may exist either inside or outside, the report would need to cover both. As per the NGP Round 8 Application Instructions and Guidelines Section I. 3. c)

Section I. 3. c) The applicant must provide an environmental 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 and addressed as part of the grant application.** 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.

Q3. How do we know if we need to submit an Environmental or Inspection Report?

A3. All Renovation, Facility Improvement and New Construction projects must submit an Environmental Inspection Report.

Q4. Does the inspection need to be done on the entire property or just on the part that is being renovated.

A4. The inspection needs to be done on the entire property.

Q5. The building we are renovating was constructed in 2006. Do we still need an Environmental Inspection for the hazards listed in the NGP Round 8 Application Instructions and Guidelines Section I. 3. c)?

A5. As lead paint was no longer allowed in building construction after 1978 and asbestos after 1989, buildings constructed after those dates would not need to be inspected for those contaminants. However, potential hazards from underground oil tanks or for radon must be assessed and the results of the assessments must be reported.

General Grant Conditions and NGP Special Grant Conditions

Q1. It says that we need to include the General Grant Conditions and Special Grant Conditions with the other materials. What exactly do we need to do with these two documents? I understand that these documents lay out some of the rules we have to follow; however, it is not clear as to if we need to sign and return.

A1. By including the General Grant Conditions and NGP Special Grant Conditions as part of the executed contract, the awardee affirms that they understand all the requirements of the OPM NGP and will adhere to them. The General Grant Conditions were revised effective July 1, 2024 and the grantee's signatory authority must initial that document on page 5, at the end of Section 12(i).

Insurance Documentation

Q1. What does ***The State must be named as an additional insured in such policies.*** Does naming the State as a Certificate Holder fulfill that requirement?

A1. As an additional insured the State is also covered by the Awardee's Liability Insurance for the purposes of this grant. Designation as a Certificate Holder does not fulfill this requirement, as a certificate holder is only notified of changes to or termination of the policy. Insurers should be familiar with the language required in the policy to fulfill this requirement.

Q2. How much insurance is needed on vehicles and renovations?

A2. Vehicle insurance should be adequate to replace the vehicle, and therefore depends on the cost of the vehicle. The insurance for renovations is described in NGP Special Grant Conditions, Items 6. and ., included above.

Q3. What name and address should be on the certificate- i.e. should it be listed as State of Connecticut, Office of Policy and Management or simply State of Connecticut?

A3. The State of Connecticut is the Additional Insured. That must be specified on the Certificate of Insurance as: The State of Connecticut is an Additional Insured on this policy for General Liability. The Certificate Holder is the State of Connecticut, Office of Policy and Management, Health and Human Services Policy and Planning Division, 450 Capitol Ave, Hartford, CT 06106

Q4. Does our project need to go out to bid and be awarded within the 90 days in order to give you the below docs or would they be submitted to OPM after we go through the procurement process and a vendor is selected. Certificates of Insurance from contractors including:

- Builder's risk
- Commercial general liability
- Worker's comp

A4. The competitive procurement of contractors does not have to be completed before contracts can be executed. As per NGP Special Grant Conditions, Items 6. and 7. (below), Contractor's Insurance documentation must be provided before invoices will be paid. We recommend that these documents be submitted prior to work

beginning, since if the documents are not acceptable as submitted, any work completed prior to the approval of the documents would not be reimbursable.

6. Grantees must require that all contractors bidding on and undertaking facility improvement, alteration or renovation projects obtain:

- a) builder’s risk insurance utilizing an “All Risk” (Special Perils) coverage form, with limits equal to value of the completed project;
- b) commercial general commercial liability insurance, including products and completed operations, property damage, bodily injury and personal and advertising injury with limit of no less than \$1,000,000 per occurrence; and
- c) worker’s compensation coverage as required by State Statute

7. Grantees shall provide certificates of insurance to the State for such coverage prior to the start of the project, ***The State must be named as an additional insured in such policies.*** Requirements for builder’s risk insurance, general commercial liability and worker’s compensation insurance coverage 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 Grantee must document this in the project records. Performance Bond. For all improvement projects where the selected contractor’s bid is greater than or equal to \$250,000, a performance bond naming the State as a co-obligee 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.

Q5. Is “Builders risk” required if our projects are building renovations and not construction?

A5. Yes. See Special Grant Conditions #6.

Modified Lien Analysis Form 4

Q1. Can you provide an acceptable format for the form for filing the lien with the town?

A1. OPM can’t provide direction on the format of the lien documents.

Q2. Should the replacement value and market value be based on the existing property plus the renovations or just the existing property?

A2. The replacement value and the market value should be based on only existing structures. The Form 4, Modified Lien Analysis, provides OPM with the information that the value of your property, minus the liens and mortgage(s), exceeds the value of our award before we legally commit to providing the funding. Thus, those numbers cannot include the value of buildings that don’t yet exist.

Mortgage Commitment

Q1. What is a Mortgage Commitment Letter? When is it required?

A1. A mortgage commitment letter is *a formal document issued by the lender to confirm the approval of a loan.* It is required when property is not yet owned by the grantee but is being purchased either with NGP funds directly or in advance of renovation or facility improvement.

Proof of Ownership

Q1. What verifies proof of ownership?

A1. Either the title to the property or the relevant mortgage documents suffices to verify proof of ownership.

Time for Execution

Q1. How long will it take to get the contract in place?

A1. All Awardees are required to complete the documents included in the May 8, 2024 email and described in NGP Required Forms by Project and to return the entire package by email within 90 days. The contracts will be signed and returned to you by email. Therefore, the amount of time to complete the process is dependent on how quickly each Awardee completes and submits the required documents. OPM will strive to execute grant awards for correctly completed contract packages within 30 business days of submission.