

# The GrantManager

A Newsletter for CDAP Grantees from the Illinois Department of Commerce and Economic Opportunity

Spring 2004

## BID ADVERTISEMENTS

by Becky Blankenship

Recently, wage rate requests have been submitted to DCEO with relatively short bidding time periods. Although the Code of Federal Regulations does not specify a required bidding time, one or two weeks is not reasonable. In addition, if the bid documents are amended during the advertisement period for any reason, an official addendum must be sent to all bidders who have obtained bid documents. DCEO recommends a minimum of 72 hours prior to bid opening for bidders to receive addenda, unless the bid opening date has been extended. Prior to placing the bid advertisement, a schedule should be developed that establishes an adequate bidding time period with allowance for the additional 72 hours should a bid addendum be required.

With that in mind, make sure that the MBE bid notification is sent to the DCEO office in Chicago in a reasonable amount of time before the bid opening. One grant administrator suggested sending the MBE bid notification to the Chicago office at the same time the wage rate request is sent to the Springfield office. Keep the MBE and wage rate request forms together for a reminder.

Using these methods will ensure that the bidding process for CDAP projects is competitive as well as fair.

## WHAT TO DO WHEN A WORKER IS UNDERPAID

by Becky Blankenship

Every week a payroll is submitted to you by the contractor for the work that was completed on a CDAP project. You compare the payroll to the federal prevailing wage rates that were sent to you by the CDAP labor standards officer and you notice that one of the workers was underpaid. What do you do?

The first step is to notify the prime contractor of the underpayment promptly and in writing. The notice should include a description of the underpayments, as well as the following instructions: compute the amount of restitution due, pay the additional wages directly to the employee, and provide documentation that the restitution has been paid. The contractor is permitted 30 days in which to correct the underpayments.

The second step is the correction certified payroll report (CPR). The contractor is required to report the restitution on a correction CPR. The correction CPR reflects the period of time for which the restitution is due (e.g., Payrolls 1 through 6, or a beginning date and ending date). The CPR should list the employee name, the work classification, the total number of work hours that are involved with the underpayment, the difference between the required wage rate and the wage rate paid, the gross amount of restitution due, deductions and the net amount to be paid. A statement of compliance should also accompany the correction CPR, just like any other certified payroll report.

The third step is to obtain the employee's signature. Each employee who has received restitution is required to sign the correction CPR as evidence of his or her receipt of the payment. A correction CPR is not complete without the employee's signature.

The fourth step is the review of the correction CPR. You are now required to review the correction CPR, compute the amounts of restitution due and compare your computations to the computations given by the contractor. The contractor should be immediately notified in writing of any discrepancies and is required to make any additional payments, evidenced on a supplemental correction CPR, within 30 days.

If the violations are not corrected within 30 days after notification, you may cause withholding from payments due to the contractor or an amount necessary to ensure the payment of restitution. Only the amounts necessary to meet the contractor's liability should be withheld.

The fifth and final step is to send this correction CPR and any other pertinent correspondence to the CDAP labor standards officer.

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## **CDAP Staff Receive Environmental Refresher Course From HUD**

*by Kara Cozadd*

The entire CDAP staff received a special environmental refresher course from our HUD environmental liaison, Eugene Goldfarb, February 2 and 3. We thought it would be a good idea to review the entire environmental process, especially when the Experienced Administrators grant management workshop this year is focusing on the environmental process.

Mr. Goldfarb gave the CDAP staff a new outlook on environmental information that can sometimes become outdated with the ever-changing CDAP components. He brought along several additional speakers, including James Van der Kloot with the US Environmental Protection Agency and Cody Wright with the Illinois Historic Preservation Agency. Mr. Van der Kloot spoke about sustainability, urban revitalization, and Brownfield redevelopment that are very important when it comes to the environment and environmental process. Mr. Wright spoke about IHPA's in-house environmental review of CDAP-funded projects. All three speakers provided valuable information about the importance of complying with HUD rules and regulations throughout the environmental process.

Some major points addressed by Mr. Goldfarb during this refresher course are recurring environmental deficiencies and/or monitoring findings. Those include a vague project description, a vague location map, an incomplete Format II, and the lack of flood plain maps. These items, as well as many others, will be discussed in detail at the 2004 CDAP Grant Management Workshop for Experienced Administrators to be held on April 15, 2004 at the Northfield Center in Springfield.

# **ACCOUNTING PROCEDURE UPDATES**

*by Carol Schmidt*

## **Internet Closeout Packages**

Some grantees and grant administrators have encountered a problem when printing the Internet closeout package forms. In addition, when some pages are printed, more than one page is being printed on a sheet of paper. To solve this problem, you must use Internet Explorer instead of Netscape. This problem can also occur when you have used an older version of Internet Explorer.

If your e-mail address changes, please contact DCEO's Accounting Office with your new e-mail address.

Please contact Carol Schmidt if you find any discrepancies in the budget amounts, actual costs, or refund amounts when accessing the Internet closeout package. Do not print the Internet closeout package until the discrepancy is resolved. Each of these discrepancies will result in an incorrect Internet closeout package that will require the closeout to be resubmitted with original signatures.

Carol Schmidt can be reached at 217/785-6423, TDD 800/785-6055, [Carol\\_Schmidt@commerce.state.il.us](mailto:Carol_Schmidt@commerce.state.il.us) for any assistance that you need.

## **IRS Form W9 and Direct Deposit Forms**

The IRS Form W9 and Direct Deposit Form are now available on DCEO's home page at <http://www.commerce.state.il.us>. When the home page appears, go to the left side of the page and left mouse click on Community Development. When the next page appears, on the left side of the page left mouse click on Grants. When the next page appears, on the right side of the page left mouse click on General Grantee forms. When the next page appears, in the center of the page left mouse click on your selection, either IRS Form W9 or Authorization for Deposit of Recurring Payments Form C-95.

## **Manual Expenditure Summary and Payment Forms**

For those of you submitting expenditure summary and payment forms manually, the form has been revised to display the department's name change from Department of Commerce and Community Affairs to Department of Commerce and Economic Opportunity. Revisions were also made so less data are required. If you have not received the revised form in the mail, please contact Carol Schmidt and blank forms will be sent to you. Our Legal office has determined that you may not retype this form on your computer. You may either photocopy the form we provide and type or hand-write in the information.

# Mobility And Accessibility Rehabilitation Supplement (MARS)

*by Tim Call*

The Mobility and Accessibility Rehabilitation Supplement (MARS) program was implemented in 2002, as a supplement to the Community Development Assistance Program (CDAP) Housing Rehabilitation Grant program. It was initially determined that the best way to begin this new program was to attach it to an existing housing program, in order to tap into the knowledge and experience of our housing practitioners throughout the state. Although many applications were submitted and funding has been obligated for years 2002, 2003 and 2004, there have been a few concerns regarding the application process and obligation of funds as they relate to the immediate needs of persons with mobility impairments.

While reviewing the MARS application process, it appears that this program would be better served as a stand alone grant program accepting applications on an as-needed basis rather than an annual application cycle. After all, the MARS program was designed to provide assistance to and meet the needs of individuals and families that experience mobility impair-

ments, which cannot always wait for an annual application cycle. By decoupling the MARS from the CDAP Housing Rehabilitation program and making applications for MARS grants available throughout the funding year, we anticipate a more efficient, effective and expedient program for persons with disabilities.

The MARS application itself will not be changed as far as the previous program requirements are concerned: the identification and verification of eligible applicants, rehabilitation needs and cost estimates per housing unit, available qualified general contractors for participation and an administrative structure in place to properly conduct all necessary duties from grant award to grant close out. Typically, MARS funds will be made available at the beginning of each calendar year based upon the DCEO formula allocation of Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD).

While funds are available, DCEO staff will provide applications to units of government,

based upon written requests that identify the families or individuals in need of assistance and certify their eligibility (verification of income and disability). Upon receiving the MARS application, the unit of government would then conduct the housing unit inspections, work write-ups, bidding specifications and in-house cost estimates needed for the submission of the application along with all other requirements standard to the MARS Program. DCEO shall set aside a specific amount of funds for 60 days while awaiting the submission of the application for funding.

Once all funds allocated for the fiscal year have been obligated, no further applications will be provided until additional funds are made available. The MARS applications will soon be finalized and available upon request. The new MARS application process will be provided at the upcoming CDAP Grant Writing Workshop, June 22, 2004. Questions regarding this new process should be directed to Tim Call at 217/558-2833, [tim\\_call@commerce.state.il.us](mailto:tim_call@commerce.state.il.us) or Denis Cherrier at 217/558-2840, [denis\\_cherrier@commerce.state.il.us](mailto:denis_cherrier@commerce.state.il.us).



# NATIONAL DRINKING WATER CLEARINGHOUSE

by Pam Jefferies

The National Drinking Water Clearinghouse assists small communities by collecting, developing, and providing timely information relevant to drinking water issues. They offer a variety of publications pertaining to a wide range of small system issues, such as regionalization options, alternative funding studies, as well as technical papers. Reprinted below is an article from the Fall 2003 issue of their periodical publication, *On Tap*.

For more information, you may write to:

**National Drinking Water Clearinghouse**  
**West Virginia University**  
**P. O. Box 6064**  
**Morgantown, WV 26506-6064**

Or, check out their website at:  
**[www.ndwc.wvu.edu](http://www.ndwc.wvu.edu)**

## NEWLY DISCOVERED BACTERIA EATS ARSENIC

(Reprinted with permission from *On Tap*, published by the National Drinking Water Clearinghouse, Fall 2003)

Some newly discovered Australian bacteria have a strange appetite: They like arsenic. An Australian research group led by Joanne Santini of La Trobe University is working on how to use bacteria that eat arsenic to clean up contaminated wastewater in Australia, overseas mining environments, and drinking water wells in Bangladesh and West Bengal in India.

Santini presented her research at Fresh Science, a British Council-sponsored program that highlights the achievements of Australian scientists who are beginning their careers.

“If the iron guts of bacteria that can eat arsenic without dying could be harnessed to process this waste, less damage would be done to the environment and

hopefully, one day, fewer people on the subcontinent will get sick,” Santini said.

Arsenic occurs naturally in rocks and, in this form, is harmless. But when exposed to air and water, it becomes soluble and toxic to plants, animals, and humans. Mining and boring rock for drinking wells can expose the arsenic and turn it into two toxic forms: arsenate and arsenite.

Arsenate is easy and safe to get rid of. But arsenite is not. Santini hopes arsenite can be removed by the use of arsenite-eating bacteria on a mass scale.

Santini and her students are studying 13 rare bacteria that were isolated from gold mines in the Northern Territory and Bendigo, Victoria. One bacterium, NT-26, is an arsenite-munching champion. It eats arsenite and excretes arsenate, which is a form of arsenic that's easy to treat.

Theoretically, she says, it is cheaper and safer to use bacteria to clean up the environmental mess than chemical methods using chlorine or hydrogen peroxide.

Santini's group has found the enzyme directly responsible for converting arsenite to arsenate. The group is now working to identify the same enzyme in other microbes and hunting for other proteins and genes involved in eating arsenite.

Santini, however, reminds us that to understand how these microbes work, they must be closely scrutinized. “We can't just plonk them into a biological reactor and hope for the best,” she said.

For more information about this research, contact Santini at 03-9479 2206, or e-mail her at [j.santini@latrobe.edu.au](mailto:j.santini@latrobe.edu.au).



# FILE ON TIME

by Pat Ramirez



*MBE Bid Notification form – File at time of bid preparation.*

Notification of Contract Awards/Contract and Subcontract Activity (Form 2516) – File at time of construction contract award.

## *Reporting Requirements – Facts to Remember*

1. It is a contracting requirement for projects funded with federal funds to offer minority firms the opportunity to secure construction and supply contracts.
2. The grantee's MBE goals are based on the percentage of minorities in that community.
3. A "good faith effort" must be made to seek out and contract with minority businesses.
4. Even though a contractor might be capable of completing the total project with his/her own construction crew and without the use of subcontractors, the prime contractor is still required to take positive efforts to subcontract minority firms and share the work consistently with the MBE goals.
5. On or before the date of bid publication, the MBE Bid Notification Form must be submitted to the DCEO Chicago office to the attention of Pat Ramirez. The Bid Notification is forwarded to the Small Business Development Procurement Centers throughout the state and to chambers of commerce. The procurement centers maintain a database of minority contractors interested in bidding opportunities.
6. It is recommended that the Notification of Contract Awards/Contract and Subcontract Activity (Form 2516) be submitted immediately upon award of contract. Without exception, however, the form must be submitted within the quarter in which the contract was awarded and no later than 10 days after the quarter ends.

Remember: Not completing these forms in a timely manner is considered noncompliance with CDAP requirements and will be a monitoring finding. If you have any questions concerning these reporting requirements, you should contact your CDAP grant manager.

## COLLECTION OF JOB CREATION/ RETENTION DATA

by Sarah Bates

A new reporting requirement is being placed on CDAP grantees. We are being asked to compile accurate information on the effect the CDAP project has on local job creation and retention, specifically to general and subcontracting firms, grantees, and their contractual administrative and engineering entities. The information will not be used for any other purpose but for a collective view of the program's contribution to the Department of Commerce and Economic Opportunity's economic development progress in the state.

Historically, job creation and retention in the CDAP program has only applied to the Economic Development component, and then only to the businesses benefiting from the CDAP funds. As stated above, job creation and retention will now apply to all CDAP components and to all phases of the project, from the subcontractors to the grantees themselves.

Forms for collection of this data are currently under development. Once finalized, the forms will be mailed to all grantees and administrators with instructions on the data to be collected and the reporting deadlines. We will appreciate everyone's participation in the CDAP's endeavors to demonstrate our effectiveness in improving the state's economy.

# CDAP STAFF TERRITORIES

by Sarah Bates

*CDAP Grant Managers were recently assigned new territories to correspond with the Governor's Economic Development Regions. Listed below are the new regions, with counties noted, and the CDAP grant manager assigned to that region.*

## Pat Ramirez

312/814-6696

[pat\\_ramirez@commerce.state.il.us](mailto:pat_ramirez@commerce.state.il.us)

**Northern Stateline** • Boone, Ogle, Stephenson and Winnebago

**Northeast** • DeKalb, Grundy, Kankakee, Kendall

## Becky Blankenship

217/558-2845

[becky\\_blankenship@commerce.state.il.us](mailto:becky_blankenship@commerce.state.il.us)

**Northwest** • Bureau, Carroll, Henry, JoDaviess, LaSalle, Lee, Mercer, Putnam, Rock Island, Whiteside

**West Central** • Adams, Brown, Hancock, Henderson, Knox, McDonough, Pike, Schuyler, Warren

## Dana Cherrier

217/558-2843

[dana\\_cherrier@commerce.state.il.us](mailto:dana_cherrier@commerce.state.il.us)

**East Central** • Champaign, Douglas, Ford, Iroquois, Piatt, Vermilion

**North Central** • DeWitt, Fulton, Livingston, Stark, Marshall, Mason, McLean, Peoria, Tazewell, Woodford

## Kara Cozadd

217/558-2844

[kara\\_cozadd@commerce.state.il.us](mailto:kara_cozadd@commerce.state.il.us)

**Central** • Cass, Christian, Greene, Logan, Macon, Macoupin, Menard, Montgomery, Morgan, Sangamon, Scott, Shelby

## Pete Arnolds

618/993-7227

[pete\\_arnolds@commerce.state.il.us](mailto:pete_arnolds@commerce.state.il.us)

**Southwestern** • Bond, Calhoun, Clinton, Jersey, Monroe, Randolph, Washington

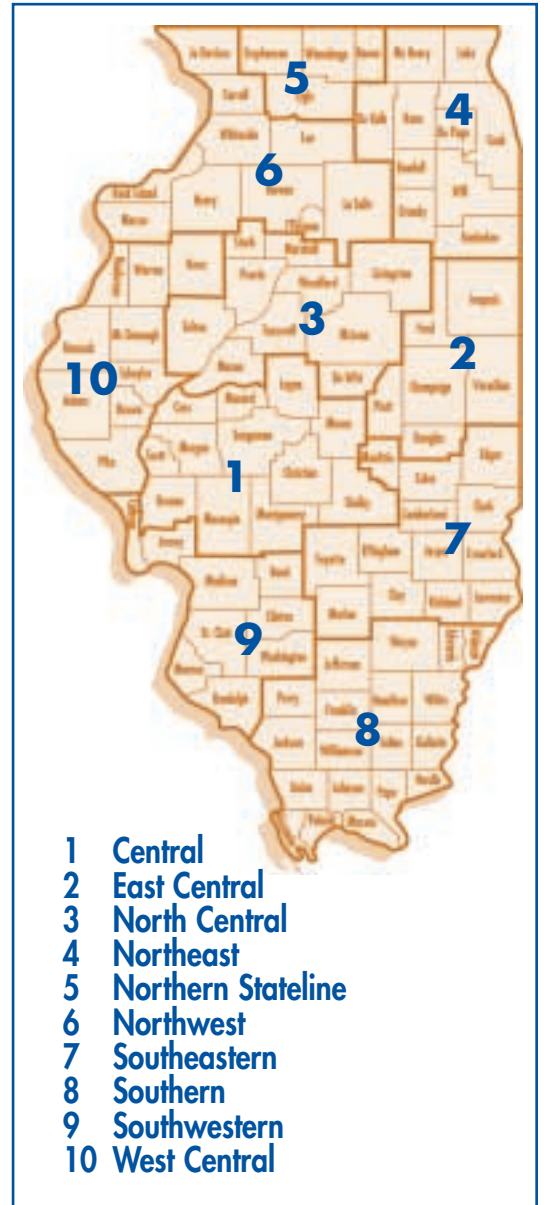
**Southeastern** • Clark, Clay, Coles, Crawford, Cumberland, Edgar, Effingham, Fayette, Jasper, Lawrence, Marion, Moultrie, Richland

## Shirley Webb

618/993-7225

[shirley\\_webb@commerce.state.il.us](mailto:shirley_webb@commerce.state.il.us)

**Southern** • Alexander, Edwards, Franklin, Gallatin, Hamilton, Hardin, Jackson, Jefferson, Johnson, Massac, Perry, Pope, Pulaski, Saline, Union, Wabash, Wayne, White, Williamson



## Tim Call

217/558-2833

[tim\\_call@commerce.state.il.us](mailto:tim_call@commerce.state.il.us)

## Denis Cherrier

217/558-2840

[denis\\_cherrier@commerce.state.il.us](mailto:denis_cherrier@commerce.state.il.us)

Both will continue to cover the entire state for Housing Rehabilitation and Mobility and Accessibility Rehabilitation Supplement grants.



**Q.** Can a grantee waive the LMI tap-on fee for LMI households on a new waterline extension project?

**A.** Yes, so long as all households (LMI and non-LMI) are treated equally, tap-on fees may be waived to encourage customers to connect to a new system when it is being installed.

**Q.** During a CDAP assisted waterline replacement project certain water mains will have to be relocated and meters moved. Will LMI households be required to have their incomes verified in order to have new lines installed from the meter to the house?

**A.** No. A legal tap must be reconnected to the system at no cost to the homeowner for any household with pre-existing service. These are categorized as 0400 construction costs instead of 0800 direct benefit costs. However, if during the course of construction it is discovered that certain households have an illegal tap, then it is the homeowner's responsibility to pay the tap-on fee and hook-up cost if they want to be reconnected to the system. In this case, if the homeowner's income is verified to be LMI, CDAP funds can pay for the tap-on fee and the hook-up cost and the grant agreement would need to be modified to move funds from the 0400 construction line to the 0800 line.

**Q.** Must all CDAP funds be drawn by the grant's ending date?

**A.** No. All grant costs must be incurred by the grant ending date. The grantee has up to 45 days following the grant's ending date to draw the remaining funds and disburse them. On a related note: If a grantee has completed all LMI hookups and has excess funds in the 0800 Rehabilitation (Residential) line item that can be used to pay for eligible construction costs, the modification request must be submitted and approved prior to the grant's ending date.

**Q.** Can CDAP funds pay for grantee staff to attend training DCEO is providing on administration of the CDAP grant?

**A.** Yes. Administration funds can be used to pay for expenses incurred by grantee staff in order to attend training sessions provided by DCEO CDAP staff.

# Upcoming **Events**

**June 22, 2004**

CDAP Application  
Workshop, Northfield  
Center, Springfield

**September 13, 2004**

CDAP Planning  
Assistance  
Applications Due

**November 5, 2004**

CDAP Housing  
Rehabilitation  
Applications Due

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If you would like to see specific topics covered, please submit in text form. All articles are subject to editing.

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