

**REDEVELOPMENT ASSISTANCE
CAPITAL PROGRAM**

PROCEDURES

for

**DRAWDOWN OF
REDEVELOPMENT ASSISTANCE
GRANT FUNDS**

COMMONWEALTH OF PENNSYLVANIA
Tom Wolf, Governor

Redevelopment Assistance Capital Program
PROCEDURES
for
DRAWDOWN OF
REDEVELOPMENT ASSISTANCE GRANT FUNDS

Date Revised: February 2015

Steve Heuer, Director
Bureau of Revenue, Capital and Debt
Office of the Budget

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SECTION I. GENERAL

A. REIMBURSEMENT PROGRAM & REIMBURSEMENT PROCEDURES

The Redevelopment Assistance Capital Program (RACP) will use a **reimbursement system** to fund projects. Grantees will apply for periodic payments (no more than monthly) to **reimburse** a portion of **paid project expenses**.

The application of the drawdown procedures discussed in this manual simply assures the following:

The Commonwealth has an appropriate cash flow for the Redevelopment Assistance Capital Program. (Accomplished by using the Approved Funding Accumulation Schedules for various RACP projects)

The Grantee is contributing an appropriate share of funds to the project throughout the construction of the project and at the end of the project. (Accomplished by applying the Distribution Factor)

The Commonwealth prefers to provide RACP funds for construction activities over the entire project that is described in the accepted Grant Application and agreed to in the Grant Agreement. Therefore, the following is adhered to:

Ideally, any match components that are funded solely by the Grantee should be constructed simultaneously with the components that are funded by the Commonwealth. If construction of a match component is not simultaneous with the funded component, the Grantee should at least be contractually obligated to construct the match component. The Grantee should understand that if construction is not simultaneous and occurs after the construction of the Commonwealth funded component, the release of grant funds will be limited. The intent of this requirement is to encourage the Grantee to construct the entire project and to limit the Commonwealth's risk if the entire project is not constructed.

A reimbursement request must include construction costs before any other items will be reimbursed. Therefore, the Commonwealth will not reimburse land, permits, or interest if construction is not started.

B. RACP REIMBURSEMENT CRITERIA

In each reimbursement request, the Grantee will show:

- 1. RACP Funds Applied to Reimbursable Cost Categories
- 2. Local Match Funds Applied to Non-Reimbursable Cost Categories.

Ideally, a line item is either fully funded by the Commonwealth or fully funded by the Grantee. However, in some cases, a line item may be funded by both the Commonwealth and the Grantee.

The amount that the Grantee can request on any reimbursement request is dependent on the following:

Approved RDA Forms	Sources & Uses
Typical Reimbursable Cost Categories	Paid By Commonwealth/Grantee
Typical Non-Reimbursable Cost Categories	Paid By Grantee
Approved Funding Accumulation Schedule	Available Funds
Distribution Factor	Grantee / Commonwealth Share

- 1. **Approved RDA 300 & 301 Forms.** The sources and uses of funds for the project are shown on the Approved RDA Forms. RDA 300 shows the sources of funds. RDA 301 shows the uses of funds. The uses of funds include only eligible project expenses that are broken into Costs Attributed to RACP (Eligible and Reimbursable Costs) and Costs Attributed to Match (Eligible and Non-Reimbursable Costs).

The Approved RDA Forms (signed by the Commonwealth) may differ from those that were submitted in the Grant Application. Also, during the life of the project, the RDA Forms might be revised by the Commonwealth. Therefore, the Grantee should assure that the most recently Approved RDA Forms are utilized in the project. Since the Grant Application is attached to the Grant Agreement, do not confuse the approved RDA Forms (signed by the Commonwealth) with originally submitted RDA Forms (not signed by the Commonwealth).

- 2. **Typical Reimbursable Cost Categories.** Typical Reimbursable Cost Categories are eligible for reimbursement with RACP funds. Reimbursable Cost Categories can include Construction, Interest During Construction, Permits, Land, and Other Items.
- 3. **Typical Non-Reimbursable Cost Categories.** Typical Non-Reimbursable Cost Categories, though project related, are generally not reimbursed with RACP funds. Typical Non-Reimbursable Cost Categories are Future Physical Maintenance & Operations, Administration, Legal, Financing/Accounting, and Architectural/ Engineering.

4. **Approved Funding Accumulation Schedule.** The Commonwealth develops a Funding Accumulation Schedule for each RACP project. The schedules for all projects are developed to allow the Commonwealth to attain a reasonable cash flow for the entire Redevelopment Assistance Capital Program.

The Approved Funding Accumulation Schedule for a project shows the RACP amounts that will be accumulated for the project during the months indicated on the schedule. Generally, total funding will be accumulated in equal installments over a **36-month period**. Month 1 for the period will be the first month after the execution of the Grant Agreement. Commonwealth reimbursements will be limited by the amount of funds accumulated for the project at the time the reimbursement request is reviewed. *The approved schedule is shown in the Grant Agreement, Appendix A.*

The Grantee should understand that the Approved Funding Accumulation does not show a monthly reimbursement that the Grantee will automatically receive for the project. The schedule shows the funds that are available for the project in any month during the 36-month accumulation period. The reimbursement that the Grantee is eligible to receive is subject to the Distribution Factor.

5. **Distribution Factor.** The Distribution Factor is a measure of the Local Match Participation with respect to RACP Participation. The factor is calculated as follows:

$$\text{Distribution Factor} = \text{Local Match Funds} \text{ divided by } \text{RACP Grant}$$

A Distribution Factor of 2 indicates that for every \$2 of Match Participation, there will be \$1 of Commonwealth Participation. In other words, the Commonwealth is providing \$1 of Grant for every \$3 of Total Project Cost.

The purpose of the Distribution Factor is to assure that the Grantee is contributing the required match components to the project as reimbursements are being provided. Generally, the Distribution Factor will control the amount of reimbursement, if there are sufficient funds accumulated per the Funding Accumulation Schedule.

C. FORMS FOR SUBMISSION OF REIMBURSEMENT REQUESTS

The Commonwealth has developed standard forms for the submission of all reimbursement requests. These forms were developed to be user friendly such that the various criteria can be applied easily by the Grantee.

A reimbursement request (Application for Payment) consists of a PR1 Form, a PR1A Form with supporting documentation, and a PR1B Invoice Summary Form for each Line Item/Cost Category. These forms will be briefly discussed below and explained further in Section II of this manual.

1. **PR1 Form.** This is the first sheet to an Application for Payment. This form includes Estimated Costs per the Approved RDA Forms, Updated Cost Estimates, and Costs Paid To Date. This form is used to apply the reimbursement criteria and determine the amount of reimbursement that the Grantee is eligible to receive. Also included is the Grantee's certification that costs are documented, accurate, and eligible.
2. **PR1A Form.** This is the second sheet of the Application for Payment. This form is modeled after the PR1, but only includes construction costs. Also included are certifications from the Grantee, the Subgrantee, and the Architect/Engineer that costs are accurate and construction is satisfactory.
3. **PR1B Invoice Summary Form.** An Invoice Summary is provided for each line item shown on the PR1. Specific information related to the payment of expenses is required and must be provided in full. The Grantee must submit supporting documentation for the total of all expenses in all line items in which reimbursement from the Commonwealth is available. For line items that are paid for with match funds only, supporting documentation is not required with the PR1B Invoice Summary.

D. PROJECT MONITORING & COMPLIANCE

Projects will be monitored by the Office of the Budget throughout the Construction and Funding Phase. Release of reimbursements will be dependent upon program and financial compliance.

E. RETAINAGE & COMPLIANCE

Typically, the Commonwealth reserves the right to retain funds, in part or in whole, to insure program and financial compliance. The Commonwealth will begin withholding 10 percent of the grant value from the last payment request. The level of retainage may be reduced at the Commonwealth's discretion based on the value of documentation and materials received to date.

F. ADVANCE PAYMENTS

RACP is a reimbursement program. Advances CANNOT be issued.

G. EXAMPLE REIMBURSEMENT:

EXAMPLE APPLICATION FOR PAYMENT NO. 4 (See Example PR1 & PR1A)

***DISTRIBUTION OF ESTIMATED COSTS**

Total Project Cost	\$33,000,000	Total Estimated Cost for the Project
Non-State Match	\$23,000,000	Non-State Match for Project
RACP Grant	\$10,000,000	Grant is Applied to Reimbursable Cost Categories
Distribution Factor	2.3	Match Funds divided by RACP Grant \$23,000,000 divided by \$10,000,000

***DISTRIBUTION OF COSTS PAID TO DATE**

Total Costs Paid to Date	\$11,190,000	Documented through Payment Request No. 4
Costs Attributed to RACP	\$ 4,000,000	
Costs Attributed to MATCH	\$ 7,190,000	

***FUNDING ACCUMULATION SCHEDULE**

Funding Accumulation Schedule	\$ 280,000	Per Month for 36 months (Rounded) \$10,000,000 divided by 36 month
Available in Month 14	\$3,920,000	\$280,000/month x 14 months Month 1 is the First Month after the Grant Agreement Execution Date

***COMPUTATION OF ELIGIBLE RACP AMOUNT (Apply Reimbursement Criteria)**

Select the lowest of the following:

Cost Attributed to RACP	\$ 4,000,000	(Same as above)
Apply Distribution Factor	\$ 3,126,087	Attrib. to MATCH divided by 2.30
Available per Accum. Sched.	\$ 3,920,000	\$280,000 / month times 14 mos.

***REIMBURSEMENT OF AVAILABLE FUNDS**

Available This Request	\$ 2,720,000	\$3,920,000 minus \$1,200,000
<i>Eligible RACP Amount</i>	\$ 3,126,087	<i>Selected above (Lowest Amount)</i>
Previous Requests	\$ 1,200,000	Deduct from Eligible RACP Amount
This Request No. 4	\$ 1,926,087	\$3,126,087 minus \$1,200,000
Carry to Month 15	\$ 793,913	\$2,720,000 minus \$1,926,087
Available in Month 15	\$ 700,000	\$ 280,000 plus \$ 420,000

FORM PR1 **Commonwealth of Pennsylvania** **APPLICATION FOR PAYMENT**
 Version: February 2015.1 **Governor's Budget Office** **Payment Request #**
Redevelopment Assistance Capital Program **Payment Request Date**

GRANTEE NAME: SUB-GRANTEE NAME:
Street Address: PROJECT NAME:
 City, State, Zip Code Contract No. ME 300-
 SAP Vendor Number ** Grant Contract Period Legislative
 Authorization Date
 ** Register by calling VDMU at (717) 346-2676 or toll free at (877) 435-7363 to

Line Items	DISTRIBUTION OF ESTIMATED COSTS (Provide Distribution According to Most-Recently Approved RDA Forms)			UPDATED COST ESTIMATE	COSTS PAID - TO - DATE		
	Costs Distributed to RACP	Costs Distributed to MATCH	TOTAL		Costs Attributed to RACP	Costs Attributed to LOCAL MATCH	TOTAL COSTS PAID-TO-DATE
1A	1A	1B	1C	2	3A	3B	3C
1. Operations / Maintenance	Typical Match				Typical Match		
2. Administration	Typical Match				Typical Match		
3. Legal	Typical Match				Typical Match		
4. Financing / Accounting	Typical Match				Typical Match		
5. Interest During Construction	Typical Match				Typical Match		
6. Architectural / Engineering	Typical Match				Typical Match		
7. Permits							
8. Land							
9A. Construction (Complete PR1A)							
9B. Contingency	Typical Match				Not Used	Not Used	Not Used
10. Other							
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DISTRIBUTION FACTORS							
1.00							
COMPUTATION OF ELIGIBLE RACP AMOUNT							
Costs Attributed to RACP							
Distribution Factor Applied							
Amount Available per Accumulation Schedule							
1.00							
ELIGIBLE RACP AMOUNT							

PROVIDE GRANTEE BANK INFORMATION FOR ACH PAYMENT		PAYMENT SCHEDULE (TO BE COMPLETED BY THE COMMONWEALTH)	
Bank Name	** Note: The bank information at left must be registered with VDMU or payment may be made via check.	RETAINAGE	ACH PAYMENT? YES NO
Account Number	Accumulation per Schedule	Previous Requests	ELIGIBLE RACP AMT.
	Previous Payments	This Request	Previous Requests
	Available This Request	Returned	This Request
		Cumulative Retainage	
BY SIGNING BELOW, THE GRANTEE CERTIFIES THE FOLLOWING: * All invoices included in this request have been paid * Appropriate documentation as evidence of payment is included. * All costs included in this request are accurate. * All costs included in this request are only for work performed on the project that is defined in the Grant Agreement.		SAP CODING SAP Document # 41000 SAP Fund Center # 2432002000 SAP GL # 6600400 SAP Fund # (Line) 30166 000 SAP Fund # (Line) 30166 000	
Signature of Grantee's Authorized Representative	Date	Signature of Commonwealth's Authorized Official	Date

FORM PR1A		Commonwealth of Pennsylvania Governor's Budget Office Redevelopment Assistance Capital Program			APPLICATION FOR PAYMENT Payment Request # Payment Request Date		
Version: February 2015.1					Contract No. ME 300- Grant Contract Period to		
GRANTEE NAME:					Legislative Authorization Date		
SUB-GRANTEE NAME:							
PROJECT NAME:							
CONSTRUCTION COSTS <small>For multi-faceted project, provide phases, components, contract names, & contract numbers. For single contract, provide work items.</small>	DISTRIBUTION OF ESTIMATED COSTS <small>(Provide Distribution According to Most-Recently Approved RDA Forms)</small>			UPDATED COST ESTIMATE	COSTS PAID - TO - DATE		
	Costs Distributed to RACP	Costs Distributed to MATCH	TOTAL		Costs Attributed to RACP	Costs Attributed to LOCAL MATCH	TOTAL COSTS PAID-TO-DATE
Contract #1	1A	1B	1C	2	3A	3B	3C
Contract #2							
Contract #3							
Contract #4							
Contract #5							
Contract #6							
Contract #7							
Contract #8							
Contract #9							
Contract #10							
Contract #11							
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0

CERTIFICATION BY GRANTEE, SUBGRANTEE / OWNER, & ARCHITECT / ENGINEER	
We Certify that this Application for Payment is Correct and Project Construction is Satisfactory.	
APPROVAL OF:	DATE
GRANTEE	AUTHORIZED REPRESENTATIVE (Print & Sign)
SUB-GRANTEE	
ARCHITECT or ENGINEER, if required by OB	
ENGINEER or INSPECTOR, if required by OB (If Applicable)	

SUBMITTAL INFORMATION
Provide Names & Numbers for Each Phase.
Provide Contract Names and Numbers for Each Major Component.
Provide a Total Cost for Each Major Phase & Each Major Component.
Attach Invoices for ALL Construction Contracts and Work Items.

FORM PR1B
INVOICE SUMMARY
Version: February 2015.1

GRANTEE NAME: Commonwealth of Pennsylvania
 Governor's Budget Office
 Redevelopment Assistance Capital Program

APPLICATION FOR PAYMENT
 Payment Request #

PROJECT NAME: 9A. Construction - Contractor #1

LINE ITEM NO. / NAME: (Provide an Invoice Summary for Each Line Item of the PR1A)

	<u>PAYEE</u>	<u>INVOICE #</u>	<u>INVOICE DATE</u>	<u>INVOICE AMOUNT</u>	<u>CHECK #</u>	<u>CHECK DATE</u>	<u>CHECK AMOUNT</u>
1	Contractor #1						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
EXPENDITURES FOR THIS PAGE							0.00

EXPENDITURES TO DATE PER LAST PAYMENT REQUEST	\$0.00
EXPENDITURES FOR THIS PERIOD	\$0.00
EXPENDITURES TO DATE PER THIS PAYMENT REQUEST	\$0.00

(Show on PR1A, Column 3C for Contractor #1)

SECTION II
INSTRUCTIONS FOR COMPLETING APPLICATION FOR PAYMENT FORMS
(Form PR1, Form PR1A, & Form PR1B)

A. APPLICATION FOR PAYMENT FORMS

The following 3 forms are to be used for the submission of all Applications for Payment.

FORM PR1	ALL PROJECT COSTS	Use for each Line Item 1 thru 10
FORM PR1A	CONSTRUCTION COSTS	Use for Line Item 9, Construction Attach Supporting Documents
FORM PR1B	INVOICE SUMMARY	Use for each Line Items 1 thru 10 Attach Supporting Documents for Reimbursable Categories

B. REIMBURSEMENT OF PAID EXPENSES

- 1. Project Expenses - PR1 (Summary Sheet).** All expenses reported on the Application for Payment Form PR1 must have been incurred and paid before submitting a reimbursement request.
- 2. Construction Expenses - PR1A (Attach Supporting Documentation).** Construction expenses should be stated on Form PR1A. Paid invoices and proof of payment must be attached to a PR1B Invoice Summary for Construction.
- 3. Other Reimbursable Expenses - PR1B (Attach Supporting Documentation).** Reimbursable expenses for which the Grantee is seeking reimbursement should be stated on Invoice Summary Form PR1B. Paid invoices and proof of payment must be attached to the PR1B Invoice Summaries. These expenses could include Interest During Construction, Permits, Land, and Other Items when approved.
- 4. Typical Non-Reimbursable Project Related Expenses - PR1B**
Typical Non-reimbursable project related expenses should be stated on an Invoice Summary Form PR1B. One summary is required for each Cost Category/Line Item. Only the information requested on the form is necessary. Copies of paid invoices are not required. Non-Reimbursable Expenses include Future Physical Maintenance & Operations, Administration, Legal, Financing/Accounting, and Architectural/Engineering,


C. SUBMISSION:

Completed paper forms and supporting documentation can be submitted to:

Tom Carter, Assistant Director
Redevelopment Assistance Capital Program
Bureau of Revenue, Capital and Debt
Office of the Budget, Commonwealth of Pennsylvania
18th Floor, Harrisstown II
333 Market Street
Harrisburg, PA 17101-1825
Phone: 717-772-5414

Going forward, the Office of the Budget will accept Payment Request submissions electronically through an FTP site. The FTP site has been set up as a blind drop box. You can “drop” information onto the site but cannot see what other people have dropped. To make this work properly and efficiently there is only one user name and password. Therefore, when you have completed your upload, you must LOG OUT of the site immediately to ensure others can use the site properly. Please note that only ONE file can be uploaded at a time and each payment request submission should have TWO files.

Please use the following directions:

1. Open the website: <https://copaftp.state.pa.us>
2. **User Name:** OB-GrantSub **Password:** W2mGH5gxUHsL
3. Click on the button for ‘file upload’ which looks like this: 
4. Find the necessary PDF document (see below) and click the ‘open’ button
5. Repeat step 3
6. Find the necessary EXCEL document (see below) and click the ‘open’ button
7. Click ‘Account’ and then select ‘Log Out’ – YOU MUST LOG OUT

The PDF file must include the following:

- The name of the file must be in the following format: “ME 300-XXXX Project Name – PR#X”
- A cover letter with the information on who the reviewer should contact if he/she has questions
- Completed and signed PR1 and PR1A forms

- Supporting documentation -copies of invoices and proof of payment. Copies of the construction invoice should include the top AIA sheet followed by the schedule of values (DO NOT attach payrolls, insurance certificates, etc.). If the category is a MATCH only category, no back up documentation is needed at this time.
- Please insert bookmarks for each item and each invoice & proof of payment.
- Ensure that all documents are easily **legible**.

The EXCEL file must include the following:

- The name of the file must be in the following format: “ME 300-XXXX Project Name – PR#X”
- Complete Payment Request which includes the PR1, PR1A and PR1B(s). A PR1B for each match category (per your project’s latest RDA-301 form that was approved by Office of the Budget) and one for each construction contract.

Please DO NOT send special condition materials or compliance documentation (certified payrolls, insurance documentation, steel documentation, performance and payment bonds, etc.) through this website. It is strictly for payment requests ONLY. Special Condition material should be sent into our office through mail on a CD or thumb drive with a corresponding cover letter. All compliance documentation should be sent to your state assigned Consultant.

D. COMPLETE AND ACCURATE APPLICATIONS FOR PAYMENT

Complete and accurate payment requests can be expeditiously reviewed and processed by the Commonwealth. Failure to provide all necessary and accurate information will delay all or part of a payment.

APPLICATION FOR PAYMENT FORM

**PR1
TYPE 2**

**ALL PROJECT EXPENSES
(Line Items 1 thru 10).**

FORM PR1 **Commonwealth of Pennsylvania** **APPLICATION FOR PAYMENT**
 Version: February 2015.1 **Governor's Budget Office** **Payment Request #**
Redevelopment Assistance Capital Program **Payment Request Date**

GRANTEE NAME: **SUB-GRANTEE NAME:**
Street Address: **PROJECT NAME:**
 City, State, Zip Code Contract No. ME 300- **Legislative**
 SAP Vendor Number ** Grant Contract Period **Authorization Date**
 ** Register by calling VDMU at (717) 346-2676 or toll free at (877) 435-7363 to

Line Items	DISTRIBUTION OF ESTIMATED COSTS (Provide Distribution According to Most-Recently Approved RDA Forms)			UPDATED COST ESTIMATE	COSTS PAID - TO - DATE		
	Costs Distributed to RACP	Costs Distributed to MATCH	TOTAL		Costs Attributed to RACP	Costs Attributed to LOCAL MATCH	TOTAL COSTS PAID-TO-DATE
1A	1A	1B	1C	2	3A	3B	3C
1. Operations / Maintenance	Typical Match				Typical Match		
2. Administration	Typical Match				Typical Match		
3. Legal	Typical Match				Typical Match		
4. Financing / Accounting	Typical Match				Typical Match		
5. Interest During Construction	Typical Match				Typical Match		
6. Architectural / Engineering	Typical Match				Typical Match		
7. Permits							
8. Land							
9A. Construction (Complete PR1A)							
9B. Contingency	Typical Match				Not Used	Not Used	Not Used
10. Other							
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DISTRIBUTION FACTORS	1.00				1.00		
COMPUTATION OF ELIGIBLE RACP AMOUNT							
Costs Attributed to RACP					ELIGIBLE RACP AMOUNT		
Distribution Factor Applied							
Amount Available per Accumulation Schedule							

PROVIDE GRANTEE BANK INFORMATION FOR ACH PAYMENT		PAYMENT SCHEDULE (TO BE COMPLETED BY THE COMMONWEALTH)	
Bank Name	** Note: The bank information at left must be registered with VDMU or payment may be made via check.	AVAILABLE FUNDING	RETAINAGE
Account Number		Accumulation per Schedule	Previous Requests
		Previous Payments	This Request
		Available This Request	Returned
			Cumulative Retainage
		For Invoices Paid From _____ To _____	
		<i>Note: by signing below, the office of the budget certifies that all special conditions listed in Appendix B of the Grant Agreement have been satisfied.</i>	
BY SIGNING BELOW, THE GRANTEE CERTIFIES THE FOLLOWING:		SAP CODING	
* All invoices included in this request have been paid		SAP Document #	41000
* Appropriate documentation as evidence of payment is included.		SAP Fund Center #	2432002000
* All costs included in this request are accurate.		SAP GL #	6600400
* All costs included in this request are only for work performed on the project that is defined in the Grant Agreement.		SAP Fund # (Line)	30166 000
		SAP Fund # (Line)	30166 000
Signature of Grantee's Authorized Representative	Date	Signature of Commonwealth's Authorized Official	Date

INSTRUCTIONS for FORM PR1 - ALL PROJECT COSTS

(Use for Line Items 1 thru 10).

Form PR1 should include all Cost Categories / Line Items shown on the Approved RDA Forms.

A. ORIGINAL ESTIMATES, UPDATED COSTS, & TOTAL EXPENDITURES

Col. 1 Cost Estimate on Approved RDA Forms. For each Cost Category / Line Item, show the amounts stated on the approved RDA 301 Form in Col. 1A (Costs Attributed to RACP), Col. 1B (Costs Attributed to MATCH), and Col. 1C (Total Estimated Costs). If the approved RDA Form is later revised by the Commonwealth, show the revised amounts.

Distribution Factors. The distribution factors as stated in the Grant Agreement are to be stated at the bottom of Col. 1. These factors are essential to the calculation of the Grantee's reimbursement.

Col. 2 Updated Cost Estimate. As the project progresses, use Col. 2 to update the projected total costs for each Line Item / Cost Category. Typical changes are as follows:

- * Construction increases or decreases for Change Orders.
- * Contingency increases or decreases to balance Change Orders.
- * Line Item changes due to slight variations from original estimates.

Scope Changes are not to be shown as an update without prior approval from the Commonwealth. A Scope Change may require a change in the approved RDA Forms.

Col. 3 Total Expenditure to Date. Col. 3 shows the Total Costs Paid To Date by the Grantee for the approved project. For each Line Item / Cost Category, show the amounts expended in Col. 3A (Costs Attributed to RACP), Col. 3B (Costs Attributed to MATCH), and Col. 3C (Total Costs Paid To Date).

Costs included cannot have been incurred before the project's Authorization Date. The Authorization Date is stated in the Grant Agreement, Appendix B, Project Activities and Special Conditions. Costs included must have been paid by the Grantee prior to inclusion in an Application for Payment.

Distribution Factors. The actual factors, based on Costs Paid to Date, are to be stated at the bottom of Col. 3. These factors indicate how the project is progressing in providing adequate and required match for the project. The factor should be carried out two decimal places.

B. COMPUTATION OF ELIGIBLE RACP AMOUNT

This table on the PR1 can be completed by the Grantee at their option. Accurate completion of this table indicates an accurate understanding of the drawdown procedures and the limitations by which the procedures are governed. This table determines the reimbursement that the Grantee is eligible to receive, up to the time the Application for Payment is submitted, and prior to deducting previous payments and retainage. Sample computations are shown in Section I, Part G of this manual. The Commonwealth will complete all submissions of the PR1 with a blank table.

C. PAYMENT SCHEDULE

This table on the PR1 will be completed by the Commonwealth. The table allows the computation of the reimbursement for the submitted Application for Payment. In this table, the Commonwealth will compute the following:

- 1. Available Funding.** This column of the table provides the RACP funding available per the Accumulation Schedule. Previous payments are deducted from the amount to determine the RACP funding available for the submitted Application for Payment.
- 2. Retainage.** This column of the table is used to show the amount of reimbursements that are being retained for unusual circumstances, such as non-compliance with the Grant Agreement. The retainage amount, held from the final payment request upon completion of the project, will be released after successful completion of the legislatively-mandated audit of the RACP project.
- 3. Payment.** This column of the table is used to compute the amount of reimbursement for the submitted Application for Payment.

$$\textit{Reimbursement} = \textit{Eligible RACP Amount} - \textit{Previous Reimbursements}.$$

D. CERTIFICATION BY THE GRANTEE

An authorized representative of the Grantee must sign and date the submitted PR1 Form. The following is being asserted to by the Grantee:

- * All invoices included in the Application for Payment have been paid prior to submitting the application to the Commonwealth.
- * The costs included in the Application for Payment are eligible as a project cost, accurate, appropriately supported, and adequately documented.

E. APPROVAL BY THE COMMONWEALTH

After the Commonwealth reviews the submitted Application for Payment, the Commonwealth's authorized representative will sign and date the PR1 in the Payment Schedule table. This signature will authorize release of payment from the Commonwealth to the Grantee. Even with this signature, all costs are subject to review in the Final Close-Out Audit of the project by the Commonwealth.

APPLICATION FOR PAYMENT FORM

**PR1A
TYPE 2**

**CONSTRUCTION EXPENSES
(Line Item 9 - Construction)**

FORM PR1A		Commonwealth of Pennsylvania Governor's Budget Office Redevelopment Assistance Capital Program			APPLICATION FOR PAYMENT Payment Request # Payment Request Date		
Version: February 2015.1					Contract No. ME 300- Grant Contract Period to		
GRANTEE NAME:					Legislative Authorization Date		
SUB-GRANTEE NAME:							
PROJECT NAME:							
CONSTRUCTION COSTS <small>For multi-faceted project, provide phases, components, contract names, & contract numbers. For single contract, provide work items.</small>	DISTRIBUTION OF ESTIMATED COSTS <small>(Provide Distribution According to Most-Recently Approved RDA Forms)</small>			UPDATED COST ESTIMATE	COSTS PAID - TO - DATE		
	Costs Distributed to RACP	Costs Distributed to MATCH	TOTAL		Costs Attributed to RACP	Costs Attributed to LOCAL MATCH	TOTAL COSTS PAID-TO-DATE
Contract #1	1A	1B	1C	2	3A	3B	3C
Contract #2							
Contract #3							
Contract #4							
Contract #5							
Contract #6							
Contract #7							
Contract #8							
Contract #9							
Contract #10							
Contract #11							
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0

CERTIFICATION BY GRANTEE, SUBGRANTEE / OWNER, & ARCHITECT / ENGINEER	
We Certify that this Application for Payment is Correct and Project Construction is Satisfactory.	
APPROVAL OF:	DATE
GRANTEE	AUTHORIZED REPRESENTATIVE (Print & Sign)
SUB-GRANTEE	
ARCHITECT or ENGINEER, if required by OB	
ENGINEER or INSPECTOR, if required by OB (If Applicable)	

SUBMITTAL INFORMATION
Provide Names & Numbers for Each Phase.
Provide Contract Names and Numbers for Each Major Component.
Provide a Total Cost for Each Major Phase & Each Major Component.
Attach Invoices for ALL Construction Contracts and Work Items.

INSTRUCTIONS for FORM PR1A - CONSTRUCTION COSTS

(Use for Line Item 9 - Construction)

A. ALL CONSTRUCTION EXPENDITURES

Construction Expenditures for the entire project, in accordance with the Approved RDA 301 Form, should be stated on Form PR1A. This includes construction expenditures that are to be reimbursed with RACP Funds and construction expenditures that are paid with Non-State Match. Whether paid for with Grant Funds or paid for with Match Funds, all construction must comply with all requirements of the Grant Agreement.

B. SUPPORTING DOCUMENTATION

The Grantee should submit invoices and proof of payment for all construction expenditures.

- 1. Invoices.** Invoices should be attached for all Construction Expenditures. Contractors usually submit AIA Documents to Owners with supporting information. The Grantee should submit those documents and their supporting documentation, including all continuation pages, with the Application for Payment, attached to a PR1B Invoice Summary for Line Item 9.
- 2. Proof of Payment.** Proof of payment must be provided with all invoices. Proof of payment can be copies of cancelled checks, front and back. Copies of canceled checks may not be necessary if other proof is deemed adequate, such as bookkeeping copies of checks along with the corresponding bank statement noting clearing of the check by the bank.—Copies of wire transfers and bank statements can be used for support of electronic payments.

C. PHASES, COMPONENTS, AND CONTRACTS

The PR1A should report costs of the major phases, components, and contracts for the project. Phases and components should be subtotaled. Costs should be updated for each phase, component, and contract. The Commonwealth must be able to evaluate the progress of each major aspect of the project. The Updated Cost Estimate column should include the current contract total with approved change orders for each contract listed.

D. CERTIFICATION BY GRANTEE, SUBGRANTEE & ARCHITECT/ENGINEER

Each party that is involved in the reporting and reviewing of construction costs and construction work should attest to the accuracy and proper submission of Construction related costs.

The following signatures (printed and signed) are required:

1. **GRANTEE.** The Grantee's authorized representative should be thoroughly knowledgeable concerning all aspects of the Application for Payment.
2. **SUBGRANTEE.** If there is a Subgrantee, as identified in a Cooperation Agreement, the Subgrantee's authorized representative should be thoroughly knowledgeable concerning all aspects of the Application for Payment.

The following signatures (printed and signed) are necessary if required by Office of the Budget:

3. **ARCHITECT/ENGINEER.** The authorized representative of the Architectural or Engineering firm that is responsible to review aspects of the project should attest the projects proper construction and reporting of costs.
4. **ENGINEER/INSPECTOR.** In addition to a reviewing Architect or Engineer, if there are other engineering or inspection firms that are attesting to the cost and quality of the construction, their authorized representative(s) should also sign the PR1A.

APPLICATION FOR PAYMENT FORM

PR1B

TYPICAL REIMBURSABLE EXPENSES

&

TYPICAL NON-REIMBURSABLE EXPENSES

(Line Items 1 thru 10)

FORM PR1B
INVOICE SUMMARY
Version: February 2015.1

GRANTEE NAME:
PROJECT NAME:
LINE ITEM NO. / NAME:

		Commonwealth of Pennsylvania Governor's Budget Office Redevelopment Assistance Capital Program			APPLICATION FOR PAYMENT Payment Request #			
		(Provide an Invoice Summary for Each Line Item of the PR1A)						
9A. Construction - Contractor #1		<u>PAYEE</u>	<u>INVOICE #</u>	<u>INVOICE DATE</u>	<u>INVOICE AMOUNT</u>	<u>CHECK #</u>	<u>CHECK DATE</u>	<u>CHECK AMOUNT</u>
1		Contractor #1						
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								
EXPENDITURES FOR THIS PAGE					0.00			0.00

EXPENDITURES TO DATE PER LAST PAYMENT REQUEST	\$0.00
EXPENDITURES FOR THIS PERIOD	\$0.00
EXPENDITURES TO DATE PER THIS PAYMENT REQUEST	\$0.00

(Show on PR1A, Column 3C for Contractor #1)

INSTRUCTIONS for FORM PR1B - INVOICE SUMMARY
(Use for Line Items 1 thru 10)

A. LINE ITEMS 1 thru 10

A PR1B Invoice Summary is required for each of the Line Items on the PR1.

B. CONSTRUCTION & TYPICAL REIMBURSABLE EXPENSES

Along with the PR1B Invoice Summary for Construction, the Grantee should provide all invoices and proof of payment for all submitted expenses. The same type of documentation should be provided for other line items that reimbursement from the Commonwealth is being sought. Typical reimbursable expenses include Construction, Interest During Construction, Permits, Land, and Other.

C. ELIGIBLE TYPICAL NON-REIMBURSABLE EXPENSES

A PR1B Invoice Summary should be provided for these expenses. Each cost category on the PR1 should have a separate PR1B completed and submitted. Non-Reimbursable Cost Categories are Future Physical Maintenance & Operations, Administration, Legal, Financing/Accounting, and Architectural/ Engineering.

SECTION III.
APPLICATION FOR PAYMENT FORMS

FORM PR1: ALL PROJECT COSTS
(Use for Line Items 1 thru 10)

FORM PR1A: CONSTRUCTION COSTS
(Use for Line Item 9)

FORM PR1B: INVOICE SUMMARY
(Use for Line Items 1 thru 10)