

Appalachian Regional Commission
Program Operations Division
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Washington, DC 20009-1068

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Memorandum of Understanding for ARC Projects

Project Name: _____

The Following Conditions Apply to all ARC Projects:

- Deadline:** The Commission may revoke or revise its approval of any project if work intended to be assisted is not underway within 18 months after the date of approval of such project.
- Davis Bacon Wages:** Davis Bacon wage rates (as determined by the Department of Labor for your respective area) must be paid for all construction projects in accordance with Section 402 of the Appalachian Regional Development Act of 1965, as amended.
- ARC Underrun Policy:** Each disbursement of funds for a project receiving assistance from more than one federal source will be deemed to be a proportional disbursement from each source. In the event of an underrun, the ARC will be entitled to recover its proportionate share of the underrun.
- Additional Funds:
Added to the Project
After ARC Approval:** It is understood that if the applicant receives additional funding from any new source towards the eligible cost of this project after the ARC approval, these funding sources should not be used to reduce the amount of local funds pledged. If new funds are made available to this project, the ARC and the Basic Federal Agency, if any, should be notified immediately. ARC reserves the right to reconsider the level of its funding approval in such as eventuality.
- Changes in Scope:** It is understood that a change-in-scope may not be implemented without prior written approval from the ARC and the Basic Federal Agency, if any. A change in scope is any major change to the project design, the type of project to be completed, capacity of the system, size of project, the number and/or type of customers served or the equipment items purchased.
- Close Working
Relationship with
Basic Federal Agency:** It is understood that the applicant must work closely with the Basic Federal Agency identified in the ARC application, if any, and follow bidding and contract award procedures to insure that all pertinent federal laws are complied with. Coordination with the Federal agency begins with filing an application with the basic Federal agency.
- Restrictions on
recruitment
Assistance:** ARC funds shall not be used for: a) any form of assistance to relocating industries; b) activities that place a state in competition with other state or sates; and c. projects that promote unfair competition between businesses within the same immediate service area.
- Cornerstone or
Plaque:** Any facility constructed in whole or in part by funds provided under the ARDA shall include a Cornerstone or plaque appropriately acknowledging the assistance provided through the ARC program, provided that such an item not be required if it would be prohibited as an eligible project cost under the basic federal program through which the ARDA assistance is provided.

Applicant/Authorized Representative:

Signature: _____ Date: _____

SELF-SUFFICIENCY STATEMENT

INSTRUCTIONS: The assurance statement below is to be submitted with the formal grant application.

ASSURANCE STATEMENT

The sponsoring agency understands that grant assistance is limited to the amount approved and that there is no obligation on the part of ARC or the Department of State to fund budget overruns or additional project phases. The sponsoring agency further understands that ARC funds are to be considered the last dollars spent on a given project and subject to adjustment in the event of budget underrun.

SIGNED _____
Grantee's Executive Representative