5.1 PROJECT TECHNICAL REPRESENTATIVE MONITORING RESPONSIBILITIES

POLICY: The Project Technical Representative (PTR) is the Financial Assistance Officer’s (FAO’s) representative for monitoring the activities of the recipient, and providing the FAO with advice about whether the recipient is adhering to the requirements of the award. The PTR is responsible for monitoring the award in accordance with the principles outlined in this Part, and for assisting with closeout of the award as described in Part 7.

PROCEDURE: The PTR must keep the FAO informed of project status. This may be accomplished by using electronic BPA form F-4620.02, Project Technical Representative’s Status Report, or other written means.
5.2 MONITORING TECHNICAL ACTIVITIES

5.2.1 General

POLICY:
(a) The PTR's primary responsibility is to monitor the technical activities of the recipient and ensure that the recipient performs in accordance with the terms and conditions of the award without unduly interfering with the recipient's activities.

(b) BPA should conduct site visits as warranted by project needs to (1) review project accomplishments and management control systems, and (2) provide technical assistance as needed.

(c) The PTR shall maintain adequate documentation of project activities in an administration file and report to the FAO in accordance with the procedure in 5.2.6.

(d) The PTR may conduct post-award technical orientation meetings with the recipient. These meetings provide the PTR and the recipient an opportunity to establish a working relationship, understand project goals and expectations, and clarify award requirements. If the FAO is not in attendance at the meeting, the PTR must submit a written report of the proceedings to the FAO.

5.2.2 BPA-Furnished Support

PROCEDURE: The PTR tracks completion of BPA's obligations to the recipient. The award will identify any BPA-furnished property or other support. The PTR shall identify the actions BPA must take to furnish the property or other support to the recipient as soon as the award is made. BPA-furnished property will be identified in clause 4-24, Personal Property Management, or 4-25, Personal Property Management – States, Local Governments and Tribes.

5.2.3 Recipient Progress Reports

PROCEDURE: The recipient's progress and performance is assessed by review of recipient progress reports. The PTR should:

(a) Confirm that progress reports are received as scheduled in the award. If a report is not received as scheduled, the PTR should determine why the reports are late, and when it will be delivered.

(b) Review the report so that performance issues can be addressed. The PTR should request clarification of a vague or incomplete report, and inform the FAO of status.

5.2.4 Verify What the Recipient is Doing

PROCEDURE: The PTR should verify the activities described in the progress report. The methods used for verification depend on the amount and complexity of the award. The PTR may also inspect work and activities described in the award. The PTR should minimize intrusion into the recipient's activities.
5.2.5 Document Contacts With Recipient

PROCEDURE: The PTR should maintain records of contacts with the recipient including significant phone conversations, personal visits and correspondence.

5.2.6 PTR Status Reporting

PROCEDURE:

(a) The PTR should identify inadequacies and schedule changes using project reports, activity verification and other information gathered in connection with the award. The PTR should discuss any BPA concerns with the recipient, and determine how the recipient will address them. The PTR should regularly provide the FAO with a project update.

(b) Routine Reporting: PTR’s should occasionally report to the FAO that award activities are being performed as anticipated in the award. PTR’s should also send a status report to the FAO shortly after a recipient's progress report is received.

(c) Non-routine Reporting: The PTR should inform the FAO whenever exceptional events occur. For example, if the recipient consistently late with reports on the project and the explanation for the delay is inadequate, the PTR should contact the FAO. Other examples are when inadequate progress is observed; when the project is complete; and when the final payment request has been received.

5.3 MONITORING FINANCIAL ACTIVITIES

5.3.1 General

POLICY: PTRs monitor the recipient's financial status. The PTR shall review and certify the recipient's request for reimbursement or advance payment, evaluate financial reports and other documents, and advise the FAO of any significant anticipated overrun or underrun of the estimated cost.

INFORMATION: The payment method (advance or cost reimbursement), required financial reports, and reporting periods are outlined in each award. Copies of required financial reports and detailed instructions are provided by the FAO when the award is made. PTRs should provide assistance to the recipients in completing those forms if appropriate.

5.3.2 Advance Payments

POLICY: The PTR certifies that the advance payment requested is a reasonable estimate of the amount needed for the time period covered and is consistent with the project budget.

PROCEDURE:

(a) Form SF-270e, Request for Advance or Reimbursement, is submitted to the PTR by the recipient to request advance funds. It should not be submitted more frequently than monthly except by prior approval of the FAO. If the form is submitted for longer periods (i.e., quarterly), the estimated needs for each of the periods must be stated. Advances are not typically made for more than 30 days. Also, predetermined advance amounts or percentages shall not normally be used. The original shall be sent to Accounts Payable, with copies retained by the PTR and FAO. No other forms are needed to request an advance.
### REQUESTING AN ADVANCE OF FUNDS

<table>
<thead>
<tr>
<th>FORM REQUIRED</th>
<th>TIMING (Unless otherwise specified in the award)</th>
<th>Recipient submits original and two copies to PTR, who reviews, authorizes, and forwards the original to Accounts Payable, retains one copy and forwards the other</th>
<th>Accounts Payable</th>
<th>FAO</th>
</tr>
</thead>
<tbody>
<tr>
<td>SF-270e</td>
<td>-Monthly</td>
<td>Request advance funds.</td>
<td>ORIGINAL Required for payment</td>
<td>COPY</td>
</tr>
<tr>
<td></td>
<td>-Quarterly</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>-Single Payment</td>
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</tbody>
</table>

(b) The PTR should review the SF-270e, by comparing outlays with the approved budget, with previous outlays, and with the progress report, including review of the drawdown rate and a check for excess funds on hand. If acceptable, the PTR will approve payment, forward the original to Accounts Payable, keep one copy, and forward one copy to the FAO.

c) The PTR should resolve any questions about the request with the recipient. If the PTR is unable to resolve the issue, the issue should be referred to the FAO for resolution.

### 5.3.3 Reimbursement of Costs

**POLICY:** The PTR certifies that the costs claimed are reasonable for project accomplishments to date. The PTR is not responsible for auditing the request to assure the cost principles have been closely followed.

**PROCEDURE:**

(a) Form SF 270e, Request for Advance or Reimbursement, is used to request reimbursement for expenses. Requests should not be submitted more frequently than monthly. The PTR should review the cost reimbursement requests using the following steps:

1. Review form SF-270e is to compare expenditures with the approved budget, with previous BPA outlays, and with the progress report, including review of the drawdown rate. The PTR should understand any charges and compare the actual expenditures against the award document, or the recipient’s application or budget.

2. The PTR will approve reasonable requests for payments within 10 days of submission, forward the original to Accounts Payable, keep one copy, and forward the other copy to the FAO.

3. If the information submitted by the recipient is inadequate, or the costs appear unreasonable or not allocable (or both), the PTR should attempt to resolve these concerns with the recipient. If the PTR is unsuccessful the FAO should be contacted to resolve the dispute. The FAO may authorize partial payment of those costs not in question. If the questioned costs are later determined to be allowable, they may then be paid. To authorize a partial payment of these costs, the PTR should send a memorandum authorizing the payment of the specific costs with a copy of the originally-submitted request for payment to Accounts Payable.
REQUESTING A REIMBURSEMENT OF COSTS

<table>
<thead>
<tr>
<th>FORMS REQUIRED</th>
<th>TIMING (Unless otherwise specified in the award)</th>
<th>Recipient submits original and two copies to PTR, who reviews, authorizes, and forwards the original to Accounts Payable, retains a copy, and forwards the other</th>
<th>Accounts Payable</th>
<th>FAO</th>
</tr>
</thead>
<tbody>
<tr>
<td>SF-270e</td>
<td>-Monthly -Quarterly -Single Payment</td>
<td>Request reimbursement of costs</td>
<td>ORIGINAL</td>
<td>COPY</td>
</tr>
<tr>
<td>SF-269a</td>
<td>-Quarterly</td>
<td>Provide financial status of award effort</td>
<td>ORIGINAL</td>
<td>COPY</td>
</tr>
</tbody>
</table>

5.3.4 Review of Financial Status Reports

INFORMATION: Forms SF-269a, Financial Status Report is used by PTR’s to monitor elements of the project. A final Financial Status Report is required before the last payment to the recipient can be made. Form SF-272e, Federal Cash Transactions Report, is used to account for Federal monies received when the recipient receives advance payments. It is usually submitted whenever Form SF-269a, Financial Status Report is submitted. The following steps should be taken to review advance requests:

<table>
<thead>
<tr>
<th>FORMS REQUIRED</th>
<th>TIMING (Unless otherwise specified in the award)</th>
<th>Recipient submits original and two copies to PTR, who reviews, authorizes, and forwards the original to Accounts Payable, retains a copy, and forwards the other</th>
<th>Accounts Payable</th>
<th>FAO</th>
</tr>
</thead>
<tbody>
<tr>
<td>SF-269a</td>
<td>-Quarterly</td>
<td>Provide financial status of award effort</td>
<td>ORIGINAL</td>
<td>COPY</td>
</tr>
<tr>
<td>SF-272e</td>
<td>-Same as SF-269a</td>
<td>Account for money advanced.</td>
<td>ORIGINAL</td>
<td>COPY</td>
</tr>
</tbody>
</table>

POLICY: The PTR reviews the Financial Status Report (FSR) to determine if the recipient’s financial status reasonably reflects project progress, and an appropriate rate of expenditure.

PROCEDURE:

(a) Form SF 269a, FSR, is submitted to the PTR by the recipient as prescribed in the award. If the FSR is not received as scheduled, the PTR should follow-up to see that it is submitted. The following points should be specifically reviewed on Form SF-269a:

1. Expenditures and/or rates should be compared to the original award budget. These figures also should have a direct relationship to the progress reported on goals and objectives by the recipient. If the progress report indicates a shortfall in goals and objectives while expenditure
rates are at or above planned levels, a review with the recipient should be completed and the FAO should be informed.

(2) Drawdown information will serve as a check on expenditures for the period. Drawdown and expenditure amounts should be close, although some differences may occur because of processing time and the reporting basis, i.e. cash or accrual.

(3) For projects intended to generate program income, or cost sharing projects, the PTR’s review should note whether actual income meets project expectations, whether the recipient is applying the income pursuant to the terms and conditions of the award, and whether the recipient is contributing the income to project costs.

(4) If discrepancies or irregularities are apparent from the review and indicate potential project problems, then the PTR should use all available information to understand the situation, including additional information from the recipient, and conferring with internal resources such as General Counsel, Risk Management and Internal Audit.

(b) If the FSR is acceptable, the PTR will so indicate by writing “Reviewed”, signing, and dating the document above Block 13. The original will be sent to Accounts Payable, with copies to the FAO.

(c) If the FSR is not acceptable because there appears to be an error or the FSR is otherwise inadequate, the PTR should first attempt to resolve the problem with the recipient as described in (c)(4) above. If the PTR is unable to do so, they should seek direction from the FAO.

5.3.5 Anticipated Overruns

INFORMATION:

(a) When the recipient's incurred costs approach the ceiling amount of the award, BPA personnel should not request or encourage the recipient to continue work that exceeds the cost ceiling. Requesting or encouraging additional work constitutes an action which exceeds the PTR’s authority. This may cause the agency to incur liability and the PTR or responsible employee to be subject to discipline and personal liability. Moreover the action may require ratification by a warranted FAO or the Head of Contracting Activity.

(b) If total expenditures are anticipated to exceed the award amount, BPA must determine whether to seek funds to continue the award effort, terminate the award or other appropriate action.

(c) If additional funds are needed, early knowledge of the recipient’s incurred costs and the potential cost overrun is essential to minimize impact on other projects and avoid a lapse in the recipient's obligation.

POLICY: The PTR shall coordinate actions with the program office and the FAO to determine what action BPA will take. If the program office decides that additional funds will be made available, the FAO is responsible for informing the recipient and modifying the award to increase funds.
5.3.6 Disallowing Costs

**POLICY:** If the PTR determines that some costs are unreasonable and should not be reimbursed the issue should be referred to the FAO for resolution. The FAO will disallow those costs that are unreasonable or not allocable (or both). The FAO may consult with Legal counsel and Risk Management if costs appearing unreasonable are significant.

5.3.7 Monitoring Program Income

**INFORMATION:** Program income represents gross income earned by the recipient or subrecipient from the federally supported activities. See 4.7 for the alternatives available for the use of “program income.” The alternative to be used will be specified in the award document.

**PROCEDURE:** The PTR reviews program income to determine whether projected earnings are in line with actual earnings. Program income will be reported on form SF-269a, Financial Status Report (FSR).

5.4 PROPERTY MANAGEMENT

**PROCEDURE:** The PTR has the following responsibilities for the property management aspects of a financial assistance award:

(a) Be aware of the recipient's plans to acquire personal and real property, and of the BFAI property standards that apply to such property;

(b) Review or verify the acquisition of property by the recipient;

(c) Insure that any BPA-owned property or other commitment by BPA in the award is made available to the recipient on a timely basis;

(d) Monitor the use of BPA-owned and recipient-acquired property and report any misuse or discrepancy that threatens the property or project to the FAO;

(e) Monitor the inventory of BPA-furnished property, note any discrepancies and inform the FAO; and

(f) Assist in final inventory and disposition of property during award closeout procedure.

5.5 MODIFICATIONS

**POLICY:** Awards may be changed through a written modification by the FAO whenever it is in the best interests of BPA to do so.

**PROCEDURE:**

(a) Except as stated in other regulations or in an award, recipients or subrecipients shall obtain prior approval from the FAO whenever any of the following changes are anticipated:

(1) Changes in the scope or the objective of the project or program that will require a budget revision.
(2) Additional funding or deobligation is needed to complete the project.

(3) Changes to the terms and conditions.

(b) After completion of negotiations concerning any of the above, the FAO will execute a modification to document the revisions.

5.5.1 Budget Changes

POLICY: After award, recipients and subrecipients may transfer funds between line items within the approved budget to meet unanticipated requirements up to 10% of the approved award budget. If line item transfers exceed 10% of the approved budget (or current year's budget, as specified in clause 4-27, Budget Changes and Line Item Transfers), advance approval of the FAO and the Project Manager when there is a budget increase is required.

PROCEDURE: If costs are to be charged as direct costs, and they are not in the approved budget, specific prior written approval must be obtained from the FAO, the recipient, or the subrecipient, as appropriate, before such costs are incurred by the recipient, subrecipient, or cost-type contractor.

5.5.2 Requesting Approval for Changes

PROCEDURE: When a recipient wishes to make a budget revision which requires prior approval by the FAO, the recipient should submit a written request to the FAO, through the PTR, which includes the following:

(a) The nature of and rationale for the revision;

(b) The proposed revised budget prepared in the same format as the original budget at award; and

(c) All pertinent information and supporting documentation needed to review the proposed revision.

5.5.3 Review and Approval of Request

PROCEDURE: The PTR should review any budget revision request to consider the possible impact of the change on the original purposes of the project. The FAO is responsible for responding to recipient requests for prior approval of budget revisions. Neither the PTR or the Project Manager is authorized to approve or disapprove a budget revision except as described in this Part.

POLICY: Retroactive budget approvals that do not exceed the award amount, unless otherwise prohibited, may be provided at the discretion of the FAO. Requests for retroactive approval shall be granted only if extenuating circumstances justify such an approval and/or an approval would have been made if the budget revision request had been submitted in a timely manner.
5.5.4 Subrecipient Awards

INFORMATION: Recipients are responsible for executing and administering all subrecipient awards to insure consistency with the prime award scope and terms and conditions. If a subrecipient proposes a revision that would result in a change to the recipients approved budget or project. The recipient shall obtain BPA approval before authorizing such a revision.

5.6 EXTENDING THE EFFECTIVE PERIOD OF AWARDS

POLICY: Awards may be extended beyond the planned expiration date through a modification establishing a new effective period.

PROCEDURE:
(a) All extensions will require a request from the recipient. If additional funding is required, the request shall contain a detailed plan for conduct of the project and a detailed budget.

(b) The BES electronically generated award form will be used to document continuation, and revision actions.

5.7 POST-EXPIRATION COSTS

PROCEDURE: Unless an effective period is extended, costs incurred after the expiration of a budget period are not allowable. The FAO may give the recipient express written consent for the incurrence of anticipated closeout costs. This may be accomplished by extending the effective period and setting a budget ceiling on the amount of costs to be incurred during the extended period.

5.8 REMEDIAL ACTIONS

5.8.1 Determining if Remedial Action is Needed

INFORMATION: The PTR may discover that the recipient has failed to meet certain deadlines or planned milestones. The PTR should confer with the recipient to determine the reasons for these lapses and report to the FAO for direction.

5.8.2 Initial Action When Award Requirements Are Not Being Met

PROCEDURE: When a PTR discovers the existence and cause of a discrepancy or delay the PTR will inform the FAO. The FAO in conjunction with the PTR, Project Manager, Legal Counsel and Risk Management and Internal Audit, as appropriate, will assess alternatives, contact the recipient and, if possible, attempt to informally resolve the problem.

5.8.2.1 Recipient Agrees With PTR

PROCEDURE: When the recipient agrees that the award requirements are not being met, BPA or the recipient may propose a resolution. The proposal will be negotiated and, if changes are agreed upon, the changes will be documented in writing. However, if the parties are unable to agree upon a resolution or, if the FAO determines that the problem is so severe and the required corrective action so expensive that further performance is impractical, the award should be terminated.
5.8.2.2 Recipient Disagrees With PTR

PROCEDURE:

(a) If the recipient disagrees with the determination of the PTR, that award requirements are not being met, the PTR should confirm the basis of the recipient's position and notify the FAO for resolution. The FAO may direct the PTR to advise the recipient in writing of the need to take corrective action to meet the requirements of the award.

(b) A dispute by a recipient does not produce a claim. The decision of the FAO is final. However, a decision to terminate an award may be appealed to the BPA HCA for a final determination.

5.8.2.3 Noncompliance

PROCEDURE: Whenever the PTR determines that a recipient has not complied with the requirements of the award, the PTR shall provide to the FAO a memorandum setting forth the basis for the determination of noncompliance. The FAO will determine the action to be taken including award modification to assure compliance with project goals or termination.