

EXHIBIT J1

SAMPLE MANAGEMENT PLAN (*Local Government Management*)

This document is only a sample. It is important that local officials create a management plan based on how things are actually done (especially in regards to the financial management) by the local government; the sample management plan should not simply be copied if it does not fit the local government's particular situation.

MONTANA DEPARTMENT OF COMMERCE
COMMUNITY DEVELOPMENT BLOCK GRANT
ECONOMIC DEVELOPMENT PROGRAM
CONTRACT NO. MT-CDBG-ED-**xx-xx**
(Name of Assisted Business)

A. Administrative Structure

The **(Name of Local Government)** is an incorporated **(City/Town/County)** with a **(Mayor/Council, City Manager/Council or County Commission)** form of government. The following persons will have lead responsibility for administering the **(City/Town/County)**'s **(FY xxxx)** Community Development Block Grant – Economic Development (CDBG-ED) Project to **(description of project)** for **(Name of Assisted Business)**:

1. **(Name and Title of the Chief Elected Official)**, as the **(City/Town/County)**'s chief elected official, will have responsibility for all official contacts with the Montana Department of Commerce (MDOC). The **(Chief Elected Official)**, and **(Council or Commissioners)** will have the ultimate authority and responsibility for the **(City/Town/County)**'s **(FY xxxx)** implementation of the CDBG-ED project to **(description of project)** for **(Name of Assisted Business)**. The **(Chief Elected Official)** will approve and sign administrative documents, designate the Environmental Certifying Officer and approve all requests for payment from the CDBG-ED program. The **(Council or Commissioners)** will approve all contracts and drawdown requests. The telephone number for the **(Chief Elected Official and Council or Commissioners)** is (406) **(xxx-xxxx)**. **(Email xxxx@xxx)**
2. **(Name)**, **(City/Town/County)** Fiscal Officer, will act as Finance Manager for the CDBG-ED project and will be responsible for management of and record keeping for CDBG-ED funds and other funds involved in the financing of the **(description of project)** for **(Name of Assisted Business)**. Approximately **(amount, i.e. one-tenth)** of his time will be devoted to CDBG-ED administration during the term of the project. (Telephone (406) **(xxx-xxxx)**.) **(Email xxxx@xxx)**
3. **(Name)**, **(City/Town/County)** Clerk, will maintain all records for the project. Approximately **(amount, i.e. one-tenth)** of **(his/her)** time will be devoted to maintaining CDBG-ED records. (Telephone (406) **(xxx-xxxx)**.) **(Email xxxx@xxx)**

4. (Name), (City/Town/County) Grants Administrator, will be the Project Manager. (He/She) will be the liaison between (Name of Assisted Business) and the (Council or Commissioners), (City/Town/County) Attorney, and the Montana Department of Commerce. He/she will make appropriate recommendations and route all contract documents, required administrative documents, and drawdowns. On behalf of the (Council or Commissioners), (he/she) will maintain the project files, be responsible for Federal, State and programmatic requirements and manage the administration and implementation of the CDBG-ED project to expand the business of (Name of Assisted Business). (He/she) will be responsible for assisting the applicant with all aspects of managing the project, including the completion of the environmental review, preparation of contracts, loan agreements, low-to-moderate income documentation and monitoring. Approximately (amount, i.e. one-third) of (his/her) time will be devoted to CDBG-ED administration during the term of tile project. (Telephone: (406) (xxx-xxxx).) (Email xxxx@xxx)
5. (Name), (City/Town/County) Attorney, will review and advise the (Council or Commissioners) regarding any proposed contractual agreements associated with the CDBG-ED project and will provide any other legal guidance as requested. The (City/Town/County) Attorney will review and approve all loan agreements and related documents. (Telephone: (406) (xxx-xxxx).) (Email xxxx@xxx)
6. (Name), Controller for (Name of Assisted Business) will serve as the project representative for (Name of Assisted Business).
7. The local Job Service will be responsible for screening and verifying income levels for all job applicants and maintaining employment files in accordance with CDBG – ED guidelines.
8. In accordance with the Single Audit Act, as amended, an independent auditing firm will review and make a report on the CDBG-ED.

B. Project Management

1. The Project Manager will be responsible for:
 - a. Ensuring that the Loan/Grant Agreement between (Name of Local Government) and (Name of Assisted Business) is executed.
 - b. Preparing the Environmental Review Record (ERR) to assure full compliance with the National and Montana Environmental Policy Acts and any other applicable environmental requirements. The Project Manager also will be responsible for preparing any required legal notices for the ERR Process and for ensuring required public hearings or informational meetings are conducted.

- c. Preparing a Request for Release of Funds (RROF) for submittal to the MDOC.
 - d. Developing the contract with the MDOC and administering all requirements related to effective project start-up and implementation.
 - e. Preparation of contracts and loan agreements between the (City/Town/County) and (Name of Assisted Business).
 - f. Assisting (Name of Assisted Business) and the local Job Service with documentation of low-to-moderate income documentation.
 - g. Establishing and maintaining complete and accurate project files and preparing all documentation and reports incidental to administration of the grant.
 - h. Reviewing all proposed project expenditures or requests for payment to ensure their propriety and proper allocation of expenditures to the CDBG-ED project budget.
 - i. In cooperation with the (City/Town/County) Fiscal Officer, reviewing requests for payment to ensure compliance, processing payment requests and preparing drawdown requests for the CDBG-ED, including the *Request for Payment and Status of Funds Reports* and the *Project Progress Report*.
 - j. Preparing all required performance reports and closeout documents for submittal to the (City/Town/County) for review and submittal to the CDBG-ED Program.
 - k. Project liaison with (Name of Assisted Business), the community and (Council or Commissioner) meetings to provide project status reports and representing the project at any other public meetings, as deemed necessary by the (Council or Commissioners).
 - l. Project monitoring.
 - m. Public Relations, which includes acting as a contact person for persons interested in the project, preparing press releases, and disseminating project information.
2. The (City/Town/County) Attorney will be responsible for:
- a. Reviewing all proposed contractual agreements for the CDBG-ED program.
 - b. Ensuring that any agreements necessary, including the Loan/Grant Agreement, between (Name of Assisted Business) and (Name of Local Government) are properly executed.

C. Financial Management

1. The Finance Manager's responsibilities will be as follows:
 - a. Establishing the CDBG-ED Program line item account and disbursing CDBG-ED funds from that account based on claims and supporting documents approved by the Project Manager. Since the (City/Town/County) uses a non-interest bearing compensative balance for its general disbursements, a separate CDBG-ED account is not necessary. The balance of CDBG-ED funds in the (City/Town/County) account will not exceed \$5,000 for a period of more than three (3) days, and all CDBG-ED funds drawn by the grantee will be expended for eligible costs within 15 days.
 - b. Entering all project transactions into the (City/Town/County)'s existing accounting system (BARS) and preparing checks/warrants for approved expenditures.
 - c. With the assistance of the Project Manager, preparing the *Request for Payment and Status of Funds Reports* to be submitted to the MDOC. All drawdown requests will be signed by two of the three following persons: two (Council or Commissioner) members and the (City/Town/County) Fiscal Officer. No expenditures will be made without the approval of the (Council or Commissioners).
 - d. With the assistance of the Project Manager, preparing the final financial reports for project closeout.

Original financial documents (claims with attached supporting documents) will be retained in the (City/Town/County) Clerk's office.

Monthly time sheets and daily project logs will be maintained by (City/Town/County) staff to document all time worked on the CDBG-ED project.

IN WITNESS WHEREOF, the parties hereto acknowledge that the parties named within are aware of their responsibilities and execute this Agreement on the _____ day of _____, 20__.

PROJECT ADMINISTRATOR:

(Name, Title)
(Local Development Organization (LDO))

Date

(Name of City, Town or County):

(Name, Title of Elected Official)
(Name of Local Government)

Date

Example of a Local Government's supporting documentation to be submitted with a Request for Reimbursement for administrative services attributable to the project.

(Submitted to the CDBG-ED program with the Request for Reimbursement form as supporting documentation for a Local Government's Administrative Services reimbursement)

PUNXSUTAWNEY ECONOMIC DEVELOPMENT PROJECT

Local Government Staff Project Hours

June-August 2012

<u>Staff</u>	<u>Hours</u>	<u>Activity</u>	<u>Date Performed</u>
Johnson	4.0	Meet w/ city and engineer	6/8/12
Williams	2.0	Reviewed Contracts	6/20/12
Williams	3.0	Reviewed Files, Prepared progress report	7/24/12
Johnson	4.0	Meet w/ CDBG-ED rep at project site (40 travel miles)	8/4/12
Williams	2.0	Prepare drawdown #1 and progress report	8/22/12
Total Hours	Williams	7.0	
	Johnson	8.0	
Williams	7.0 hours @ \$40/hour		\$280.00
Johnson	8.0 hours @ \$60/hour		\$480.00
Travel to City and Project site (40 mi. @ \$.50/mi.)			<u>\$ 20.00</u>
	Invoice Total:		\$780.00

See the attached additional documentation substantiating the charges.