Workshops
For Maryland Capital Grant Recipients
Thursday, June 17 & Thursday, June 24

“Simplifying the Capital Grant Process”

Presented by the Capital Grants & Loans Division

Welcome & Introductions

Welcome – Ellington Churchill, Secretary, Maryland DGS

Introduction Of Maryland Capital Grants & Loans Program Leadership Team & Staff
Jack Howard - Assistant Secretary, Business Enterprise Administration, Maryland DGS
Deirdra Bell – Director, Maryland Capital Grants & Loans Program
Alexis Dukes - Regional Grant Administrator
Angela Allen - Grant Project Manager
Ida McPherson – Regional Grant Administrator and Compliance Officer
Sandra Means - Contracts & Compliance Analyst
Linda Davis-Cole - Grants Coordinator
Renee Watson – Capital Grants Accountant
James King – Special Assistant to DGS Secretary & Capital Grants Program Liaison to the General Assembly
**“Simplifying the Grants Process”**
Presented by
The Maryland Capital Grants & Loans Program Office

**Step 1: Authorization**
- Award Letter
- DGS Grant Item Number Assigned

**Step 2: Grant Application Process**
- Application
- Lease Agreement (if applicable)
- Evidence of Insurance Coverage
- 2 Affidavits
- Maryland Historical Trust Form and Letter
- Submission of Package to Capital Grants Office

**Step 3: Board of Public Works Approval Process**
- Grant Agreements
- Board of Public Works Meeting
- Issuance of Executed Grant Agreements

**Step 4 Contract Review Process and Request for Payments**
- Information Required for Contract Eligibility Determination
- Request for Payment
- Submission of Approved Invoices for Payment Processing through Fiscal Department

**Step 5: Project Close-out and Reporting**
- Complete Close-out form
- Site Visit May Be Required

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**Capital Grants & Loans Program Process Chart**
(Effective May 5, 2021)
Funds for a grant may be requested as a Legislative Bond Initiative sponsored by a State Senator or Delegate or as an Administration initiative as part of the Maryland Consolidated Capital Bond Loan (MCCBL) or through the Governor's budget. A process chart has been prepared to provide an overview for the process used in obtaining and administering legislative grants. The process at first glance may appear to be complicated, however once the legislation is signed by the Governor, the entire process is simplified into five steps.

Eligible grant participants include:

- Nonprofit Educational or Public-Health Institutions
- 501(c)3 Nonprofit Organizations
- Maryland Registered Nonprofits
- Schools
- Institutions of Higher Learning
- County Governments and Municipalities

The projects that are funded by the Maryland Capital Grants & Loans Program offer benefits to local communities with a public purpose, and generally include:

- Employment creation
- Community development
- Economic gain
- Contracting opportunities for local businesses
Capital Grants Overview

Currently, there are approximately $1.9 billion in Capital Grants that are funding over 1,700 local infrastructure projects across the State.

- The 2021 Maryland Consolidated Capital Bond Loan (MCCBL) bill authorized 398 funding requests for local initiatives for a total of $438 million.

Capital Grant Projects- Application
State of Maryland
CAPITAL GRANTS PROJECTS

AFFIDAVIT

FUNDS WILL NOT BE USED FOR LOBBYING

I, ___________________________, certify and covenant that it has not and will not use any State grant funds or any of its own matching funds to pay (or present to pay) any legislative agent, lawyer, or lobbyist for any services to influence this grant.

I swear or affirm under the penalties of perjury that this Affidavit is true to the best of my knowledge, information, and belief.

Date: _______________________  By: _______________________

AND

Date: _______________________  By: _______________________

Note: If the organization does not have a Treasurer, this Affidavit must be signed by the individual who has charge of and who disburses the organization’s money.

Maryland law requires this Affidavit. See Section 7-815 of the State Finance and Procurement Article, Annotated Code of Maryland.

State of Maryland
CAPITAL GRANTS PROJECTS

AFFIDAVIT

FUNDS WILL NOT BE USED FOR RELIGIOUS PURPOSES

I, ___________________________, certify and covenant that it has not and will not use any State grant funds or any of its own matching funds:

• To further sectarian religious instruction.
• In connection with the design, acquisition, or construction of any building used or to be used as a place of sectarian religious worship or instruction.
• In connection with any program or department of divinity for any religious denomination.

I swear or affirm under the penalties of perjury that this Affidavit is true to the best of my knowledge, information, and belief.

__________________________
Signature

__________________________
Printed Name

__________________________
Title

__________________________
Date

Capital Grant Projects – Proof of Insurance
Capital Grant Projects

Contracting Opportunities on Grant Projects

Grant recipients are responsible for hiring contractors to work on capital projects. During the recent 2021 General Assembly session, Senate Bill 909 was approved by the State Senate and House. This new law, as outlined below, requires that all state capital grants of $3 million or more will be subject to review for subcontracting opportunities for companies that are certified by the state as a Minority Business Enterprise (MBE).

**Senate Bill 909**

Capital Projects – Minority Business Enterprise Goals. The bill requires the Governor’s Office of Small, Minority, and Women Business Affairs (GOSBA), prior to the release of funds to a recipient of a State capital grant of $3.0 million or more from a miscellaneous grant program, a House of Delegates initiative, or a Senate initiative, to review the project for subcontracting opportunities under the State’s Minority Business Enterprise (MBE) program and, if practicable, establish MBE subgoals for the project. The bill establishes oversight and reporting requirements for GOSBA and the Department of General Services (DGS). The bill takes effect July 1, 2021, but the application of MBE subgoals to grant recipients takes effect July 1, 2022. Effective July 1, 2021, and July 1, 2022.
**Capital Grant Policies & Requirements**

Grant recipients are encouraged to follow State policies and requirements regarding the planning and implementation of capital projects funded by grants to avoid loss of grant funds.

The online [Capital Grants & Loans (CGL) Booklet](https://dgs.maryland.gov/Documents/grants/cglbook.pdf) outlines these policies and requirements.

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**Step 2: Submit your Capital Grant Project Information**

- **Capital Projects Grant Application Packet**
  - a. Complete the grant application ensuring the information is accurate and consistent with Bond Bill Fact sheet and Legislation.
  - b. Evidence of Insurance Coverage
    - Item of Grant-Funded Property with an original fair market value of $5,000 or more
    - Grantee’s Insurer must be authorized to issue the policy in the State of Maryland
    - Name the State as an additional loss payee
  - c. Lease Agreement, if grant-funded property is not owned by the Grantee
  - d. Acquisition of Real Property
  - e. Affidavits (Lobbying and Religious Purposes)
  - f. Maryland Historical Trust

- **Matching-Fund Documentation** (if your bond bill requires a match)
  - a. Hard Match
  - b. Soft Match

- **Capital Projects Grant Agreement**
  - a. Board of Public Works
  - b. Approval of Grant Agreement
  - c. Matching Fund Certification

The Application Packet can be downloaded from our Capital Grants website at: [https://dgs.maryland.gov/Pages/Grants/index.aspx](https://dgs.maryland.gov/Pages/Grants/index.aspx)
Compliance with Applicable Law: 2 Year Rule

(5) (a) Prior to the payment of any matching grant funds under the provisions of Section 163, Items ZA00 through ZB02 of this Act, grantees shall provide and expend matching funds as specified. No part of a grantee's matching fund may be provided, either directly or indirectly, from funds of the State, whether appropriated or unappropriated. Except as otherwise provided, no part of the fund may consist of real property, in kind contributions, or funds expended prior to the effective date of this Act. In case of any dispute as to what money or assets may qualify as matching funds, the Board of Public Works shall determine the matter, and the Board's decision is final. Grantees have until June 1, 2021, to present evidence satisfactory to the Board of Public Works that the matching fund will be provided. If satisfactory evidence is presented, the Board shall certify this fact to the State Treasurer and the proceeds of the loan shall be expended for the purposes provided in this Act. If this evidence is not presented by June 1, 2021, the proceeds of the loan shall be applied to the purposes authorized in § 8–129 of the State Finance and Procurement Article.

Located in House Bill 101 on Page 85

Compliance with Applicable Law: 2 Year Rule (Con't)

(b) It is further provided that when an equal and matching fund is specified in Section 163, Items ZA00 through ZB02 above, grantees shall provide a matching fund equal to the lesser of (i) the authorized amount of the State grant or (ii) the amount of the matching fund certified by the Board of Public Works. If satisfactory evidence is presented, the Board shall certify this fact and the amount of the matching fund to the State Treasurer and the proceeds of the loan equal to the amount of the matching fund shall be expended for the purposes provided in this Act. If this evidence is not presented by June 1, 2021, the proceeds of the loan shall be applied to the purposes authorized in § 8–129 of the State Finance and Procurement Article. The proceeds of any amount of the loan in excess of the matching fund certified by the Board of Public Works shall also be applied to the purposes authorized in § 8–129 of the State Finance and Procurement Article.

Located in House Bill 101 on Pages 85 and 86
Compliance with Applicable Law: 7 Year Rule

Located in House Bill 101 on Pages 86 and 87

Grant Agreement: Compliance with Applicable Law

Your capital grant funds are governed by State Finance and Procurement Article §8-128, Annotated Code of Maryland

20. Compliance with Applicable Law. Grantee hereby represents and warrants that it:

(a) Is qualified to do business in the State of Maryland and that it will take such action as, from time to time thereafter, may be necessary to remain so qualified;

(b) Is in no arrears with respect to the payment of any monies due and owing the State of Maryland, or any department or unit thereof, including but not limited to the payment of taxes and employee benefits, and that it shall not become so in arrears during the Grant term;

(c) Shall comply with all federal, State, and local laws, regulations, and ordinances applicable to its activities and obligations under this Grant;

(d) Shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Grant.
Compliance with Applicable Law: Religious Purposes

Located in House Bill 101 on Page 107

Step 3: Board of Public Works Approval Process

- DGS will send the grantee a grant agreement for signature
- Grantee returns the signed and un-dated grant agreement electronically to the DGS Office of Capital Grants to dgs.capitalgrants@maryland.gov
- DGS Grant Administrator submits grant application and supporting documentation to the Board of Public Works for formal approval at an upcoming public meeting to which you are invited to attend. Attendance is welcomed but is not mandatory.
- DGS submits signed grant agreement to Attorney General’s Office for review
- Approved Grant agreement from the Attorney General’s Office is then submitted to the Board of Public Works for signature
- Fully Executed grant agreement is returned to grantee
Step 4: Contract Review and Request for Payment Process

Eligible and Ineligible expenses: Please see pages 16-20 of the Capital Grants Booklet

Procurement
- Grant recipients are encouraged to use a competitive procurement process when obtaining contractor services
- Solicitation process used for each contract
- Listing of Bidders (Name, Address and Bid Amount)
- Name of selected vendor (explanation of why the vendor was selected)

Contracts
- Name of the selected vendor and statement certifying that the selected contractor is not debarred or suspended and is registered to do business in the State of Maryland ([www.bpw.state.md.us](http://www.bpw.state.md.us))
  - Resident Businesses
    - Grant recipients are encouraged to solicit Maryland resident businesses to design and construct grant projects.
  - Minority Businesses
    - Grant recipients are encouraged to solicit certified Minority Business Enterprises (MBEs) for all contracts. ([mbe.mdot.Maryland.gov/directory](http://mbe.mdot.Maryland.gov/directory))

Provide Vendor Contract Documents and Invoices to DGS for a Review and Eligibility Determination of Expenditures
- DGS Grant Administrator will generate a Contract Eligibility Letter that is signed by the Office of the Secretary of DGS
- Signed Eligibility Letter is Sent to Grantee

Payments to be Made Directly to Vendors
- Listing of invoices to be paid, and should include your Signed Eligibility Letter
- Vendor invoices
- Vendor’s Federal Identification Number (IRS Form W9)
- MHT Letter (copy)
- Complete Payment Request form on your letterhead

Reimbursements to Grantee Organization
- Schedule of paid invoices and corresponding checks or other proof of payments
- Canceled checks (front and back)
- Copies of vendor invoices
- MHT Letter (copy)
- Organization’s Federal Identification Number (IRS Form W9)
- Complete Payment Request form on your letterhead
**Step 5: Submit your Project Close Out Report**

Notify DGS Grant Administrator and the Comptroller’s Office, **in writing**, that the project has been completed.

Submit your Capital Project Final Report to DGS

Submit pictures of the final project to DGS

Contact DGS Grants Compliance Officer to schedule an on-site or virtual visit to verify project completion
Questions & Answers

Thank you!

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