Land description and plot approved Evidence of ability to finance approved (again) Addenda to specifications must be approved Proof of advertising for bids furnished Selection of low bidder approved Certifications on the part of the low bidder approved Subcontractors approved

Approval of executed contract documents

A preconstruction conference with H.U.D. Field Engineer is required before contractor can proceed.

Change orders approved Budget deviations approved

During contruction, progress schedules, weekly payrolls, project supervision and inspection, payments to contractor, insurance, safety and equal opportunity are under constant H.U.D. review requiring reporting and letter writing as well as inconvenience to the contractor and owner.

In a like manner, the procurement of equipment is subject to control and advance approval. An equipment list must be sent to USOE for approval; detailed specifications, bid invitations, and contract documents covering each equipment item must be sent to H.U.D. for approval. Prior to award, certified bid tabulations and other documents must be sent to H.U.D. for concurrence in the proposed award. Change orders and budget deviations must also be approved by H.U.D. After delivery, another report of equipment received must be sent to H.U.D. All of these reports are to be made on special forms.

It should be noted that all of the above must be done even though not one

cent of federal money has been dispensed.

Before an institution can receive any of their grant funds, the following addi-

tional safeguards have been provided:

- 1. The institution, working through the H.U.D. regional office obtains the latter's assurance through actual inspection where appropriate, that terms of the grant applicable to construction, have been met thus far.
- The H.U.D. regional office prepares a certification of compliance.
   The applicant submits a request for funds covering that portion of the work completed together with the Certificate of Compliance.

  4. USOE verifies and processes request and forwards payment installment.

5. Final payment is made only after a final audit by USOE. From the above it can be seen that much time and expense is incurred in getting various approvals. One architect who has been through the maze several times, estimates that the administrative procedures associated with a Title I grant represent an additional \$50,000 of cost. A construction agency supervisor related that, on a project which was bid without grant and then a short time later with grant, the price in the latter instance was \$32,000 higher.

It is believed that in dealing with colleges and universities which are certainly responsible, reputable, bodies, that much of the in-between policing and reporting associated with the construction phase of a project could be eliminated to the benefit of all concerned. After the grant agreement has been signed, it would seem that an inspection and certification of compliance on the part of the Regional H.U.D. office would be sufficient assurance to allow an installment pay-A final payment would, of course, be subjected to a final audit.

The National Science Foundation, which has been in the business of dispensing construction grants since 1950 has developed a procedure which is simple, efficient, and expeditious. It also complies with the same or comparable laws under which Title I and Title II grants are administered. The system used by N.S.F. is essentially as follows:

- A. A grant application is submitted. This application contains about the same amount of detail as that of Title I and Title II grants except that it includes a listing of proposed equipment.
- B. An on the site conference is held between N.S.F. and institution representatives to discuss merits, feasibility, etc.
- C. An agreement is signed by the grantee which contains assurances similar to those required by Title I and Title II.
- D. At the time the project is awarded, the grantee is required to submit plans and specifications, a list of participating bidders and a revised project budget (based on the contract award) to N.S.F. N.S.F. reviews the data and advises the grantee as to the acceptability of data and compliance with the agreement.