



Henry McMaster
Governor

SOUTH CAROLINA
DEPARTMENT OF COMMERCE

Robert M. Hitt III
Secretary

April 16, 2021

The Honorable William M. "Bill" Hixon
Subcommittee Chair
Legislative Oversight Committee
South Carolina House of Representatives
Post Office Box 11867
Columbia, South Carolina 29211

Dear Representative Hixon:

This letter is in response to your request for additional information resulting from the South Carolina Department of Commerce (SC Commerce) hearing on March 4, 2021 and March 11, 2021. SC Commerce is committed to the legislative oversight process and answering any questions the committee may have.

Enclosed is our response to the questions submitted. We look forward to continuing to inform the committee of the valuable work that our staff performs for the citizens of South Carolina.

If you have any further questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "R M Hitt".

Robert M. Hitt III
RMH/vw

March 29, 2021

VIA EMAIL

Secretary Robert M. Hitt III
Department of Commerce
1201 Main Street, Suite 1600
Columbia, South Carolina 29201

Dear Secretary Hitt:

The Economic Development, Transportation, and Natural Resources Subcommittee appreciates the agency's partnership in the oversight process. As follow-up from the March 4, 2021 and March 11, 2021, Subcommittee meetings, below are questions of interest to various members of the subcommittee. Please provide this information by Friday, April 16, 2021, so the Subcommittee members may have time to review it prior to the next meeting.

The agency's responses will be posted online for transparency to the public. Accordingly, please do not provide any information that may not be posted online due to legal or contract prohibitions, that may harm the competitive advantage of the state in recruiting and retaining business, or that may jeopardize the life, health, or safety of anyone.

Education

1. Please provide a list of entities that have attended economic development education events provided by the agency for the last three years, and cost per attendee, by year, county, and event. See sample format below.

2019

County	Economic Development Institute Attendee(s)	Economic Development Institute Cost per attendee	Advanced Symposium Attendee(s) <i>*Completed in 2019.</i>	Advanced Symposium Cost per attendee	Rural Summit Institute Attendee(s)	Rural Summit Institute Cost per attendee
Abbeville	1	\$300				
Aiken	1	\$300			4	\$225
Allendale						
Anderson			1	\$1,800	2	\$225
Bamberg					1	\$225
Barnwell			1	\$1,800	1	\$225
Beaufort	1	\$300			1	\$225
Berkeley	1	\$300			2	\$225 and \$250
Calhoun					1	
Charleston					9	\$225
Cherokee	1	\$300				
Chester					2	\$225
Chesterfield	3	\$300			5	\$225
Clarendon					1	\$225
Colleton						
Darlington	2	\$300				
Dillon						
Dorchester	4	\$300	1	\$1,800	2	\$225
Edgefield					3	\$225
Fairfield	2	\$300			4	\$225 (3) and \$250 (1)
Florence	2	\$300	1	\$1,800	3	\$225
Georgetown					1	\$250
Greenville	10	\$300	1	\$1,800	15	\$225 (12) and \$250 (3)
Greenwood					3	\$225
Hampton	1	\$300			4	\$225
Horry	3	\$300				
Jasper					2	\$225
Kershaw	2	\$300	1	\$1,800		
Lancaster			1	\$1,800	1	\$225
Laurens						
Lee					1	\$225
Lexington	1	\$300			3	\$225 (2) and \$250 (1)

Marion	1	\$300			2	\$225 and \$250
Marlboro						
McCormick	1	\$300			7	\$225 (6) and \$250 (1)
Newberry	1	\$300				
Oconee	2	\$300			3	\$225
Orangeburg					23	\$225 (21) and \$250 (2)
Pickens					1	\$250
Richland	9	\$300			22	\$225 (19) and \$250 (3)
Saluda	1	\$300			1	\$225
Spartanburg	2	\$300			1	\$225
Sumter			2	\$1,800	3	\$225 (2) and \$250 (1)
Union	5	\$300			4	\$225 (2) and \$250 (2)
Williamsburg	2	\$300			3	\$250
York						
Other						
North Carolina					5	
Virginia					1	
						*\$250 = late registration

2020

County	Economic Development Institute Attendee(s)	Economic Development Institute Cost per attendee	Rural Summit Institute Attendee(s)	Rural Summit Institute Cost per attendee
Abbeville				
Aiken	2	\$300	4	\$250
Allendale				
Anderson	1	\$300	2	\$250
Bamberg			7	\$250
Barnwell	1	\$300	1	
Beaufort			1	\$225
Berkeley	3	\$300	1	\$250
Calhoun			1	\$250
Charleston	1	\$300	3	\$250
Cherokee			2	\$250
Chester			3	\$250
Chesterfield	1	\$300	3	\$250
Clarendon			1	\$250
Colleton			1	\$250
Darlington	2	\$300		
Dillon				
Dorchester	2	\$300		
Edgefield			1	\$225
Fairfield	1	\$300	1	\$250

Florence				
Georgetown	1	\$300	2	\$250
Greenville	1	\$300	16	\$250
Greenwood			2	\$250
Hampton			2	\$250
Horry	1	\$300	1	\$250
Jasper				
Kershaw			1	\$250
Lancaster	1	\$300	1	\$250
Laurens	2	\$300		
Lee			1	\$250
Lexington	2	\$300	9	
Marion				
Marlboro				
McCormick			7	\$250
Newberry	1	\$300		
Oconee	1	\$300	6	\$250
Orangeburg	2	\$300	3	\$250
Pickens			6	\$250
Richland	3	\$300	31	
Saluda				
Spartanburg	1	\$300		
Sumter			7	\$250
Union	1	\$300	7	\$250
Williamsburg	1	\$300		
York			2	\$250
Other				
Out of State	1	\$300		
Mississippi			2	Banquet Honoree
North Carolina			2	Presenter & \$250

2021

County	Economic Development Institute Attendee(s)	Economic Development Institute Cost per attendee	Rural Summit Institute Attendee(s)	Rural Summit Institute Cost per attendee
Abbeville			2	Virtual, no cost
Aiken	2	\$300	8	Virtual, no cost
Allendale				
Anderson	1	\$300	4	Virtual, no cost
Bamberg			3	Virtual, no cost
Barnwell			1	Virtual, no cost
Beaufort	2	\$300	3	Virtual, no cost
Berkeley	4	\$300	9	Virtual, no cost

Calhoun	1	\$300	1	Virtual, no cost
Charleston	2	\$300	26	Virtual, no cost
Cherokee			1	Virtual, no cost
Chester			6	Virtual, no cost
Chesterfield	1	\$300	10	Virtual, no cost
Clarendon			4	Virtual, no cost
Colleton				
Darlington			6	Virtual, no cost
Dillon				
Dorchester	6	\$300	5	Virtual, no cost
Edgefield			1	Virtual, no cost
Fairfield	2	\$300	2	Virtual, no cost
Florence	6	\$300	14	Virtual, no cost
Georgetown			20	Virtual, no cost
Greenville	6	\$300	26	Virtual, no cost
Greenwood			5	Virtual, no cost
Hampton	1	\$300	4	Virtual, no cost
Horry			8	Virtual, no cost
Jasper	1	\$300	1	Virtual, no cost
Kershaw				
Lancaster				
Laurens			1	Virtual, no cost
Lee			1	Virtual, no cost
Lexington			11	Virtual, no cost
Marion			2	Virtual, no cost
Marlboro			1	Virtual, no cost
McCormick			4	Virtual, no cost
Newberry	2	\$300	3	Virtual, no cost
Oconee	1	\$300	2	Virtual, no cost
Orangeburg	1	\$300	19	Virtual, no cost
Pickens			20	Virtual, no cost
Richland	17	\$300	98	Virtual, no cost
Saluda			1	Virtual, no cost
Spartanburg	2	\$300	6	Virtual, no cost
Sumter	1	\$300	9	Virtual, no cost
Union	1	\$300	4	Virtual, no cost
Williamsburg	1	\$300	72	Virtual, no cost
York			3	Virtual, no cost
Other Locations				
Out of State	2	\$300		
Connecticut			1	Virtual, no cost

Georgia			2	Virtual, no cost
Kentucky			1	Virtual, no cost
Minnesota			1	Virtual, no cost
Mississippi			1	Virtual, no cost
North Carolina			4	Virtual, no cost
Tennessee			1	Virtual, no cost
Washington, DC			1	Virtual, no cost
China			1	Virtual, no cost
Germany			2	Virtual, no cost
India			1	Virtual, no cost
Korea			1	Virtual, no cost

Succession Planning, Employee Development and Feedback

2. In regards to prerequisites for the position of Secretary of Commerce:
 - a. Would the agency recommend the General Assembly consider specifying any prerequisites for the position of Secretary of Commerce?
No.
 - b. Why or why not?
Because the Secretary of Commerce is appointed by the Governor upon the advice and consent of the Senate, SC Commerce does not insert the agency in that selection process. The Governor is able to select the candidate who reflects his/her vision and direction for SC Commerce. Any prerequisites could potentially limit that selection process.
3. Please provide a list of questions the agency believes may be beneficial to ask a newly appointed Secretary of Commerce to learn their vision/hold them accountable for what they have reasonable control over and why each would be important.
Because the Secretary of Commerce is appointed by the Governor upon the advice and consent of the Senate, SC Commerce does not insert the agency in the selection and/or vetting process.
4. The agency’s Program Evaluation Report mentions creating the Next Gen group to develop and grow the potential of the deputy level team.¹ Please further explain the Next Gen group, including
 - a. when it was started,
The Next Gen group began in April of 2015.
 - b. where the idea originated,
The idea originated from feedback provided by SC Commerce employees, in an effort to better address succession planning (for exiting or retiring staff). High potential performers within the Commerce team were identified to educate and train on management practices.
 - c. how the agency is determining whether the group is successful, and
The group originated with 10 members. Three (3) out of ten (10) were promoted to division director and one (1) to deputy director. To date, the group has expanded, and the educational process has continued to cultivate new leaders.

¹ See PER response to question 10

- d. if the agency would recommend other agencies utilize similar groups/programs.
SC Commerce would recommend a similar program to mentor and educate high potential performers to grow and develop leaders.
5. The agency's Program Evaluation Report mentions there was a human resources and research division needs assessment conducted in 2019 regarding the training needs of employees and managers.² Also, it mentions yearly training programs offered to employees. In regards to training, please answer the following:
 - a. What was learned from the needs assessment conducted in 2019?
The needs assessment requested the following information: topics for training and development; previous successful training delivered; preferred training delivery; barriers for training; knowledge and skill gaps; reinforcement tools for sustained development; and parameters of the employee training and development program.
 - b. What actions have been taken, or are planned, as a result of this assessment?
The agency developed a university style concept to train and develop employees. The university consists of specific schools of discipline derived from the needs assessment. The deans of each school are Next Gen members and responsible to plan tailored training to fit the needs of the organization. Human Resources, subject to review by the Secretary and/or Deputy Secretary and with input from division directors as applicable to the subject matter, has oversight for Commerce University.
 - c. Does the agency plan on conducting an assessment like this at regular intervals (e.g., every three or five years) in the future?
Another needs assessment is planned for 2024. Evaluations will be conducted at the conclusion of each course offering and reviewed on a spring and fall basis to ensure the training is continuing to fulfill each participating employee's educational needs.
 - d. Did the agency develop its own internal training program or did the agency work with outside vendors?
The training topics are developed internally. The training facilitation is offered internally and from outside vendors.
 - e. How has the agency gauged whether the programs are successful and what type of results has the agency seen?
The implementation of Commerce University has been delayed due to the pandemic. However, at this time, ad-hoc training is being conducted as well as foreign language training.

Succession Planning, Employee Development and Feedback (cont.)

6. SC Commerce indicated in the Organizational Units Chart of its Program Evaluation Report that anonymous employee feedback is allowed in every division of the agency.
 - a. How do employees submit anonymous feedback?
On SC Commerce's intranet site, employees may send an anonymous email to the Human Resources inbox with confidential concerns relating to any matter.

² See PER response to questions 6(c)

- b. What changes have occurred at the agency, if any, as a result of anonymous feedback?
 SC Commerce updated the Safe Playbook regarding safety protocols. Human Resources also provided additional communication to employees based on the feedback.

- 7. The agency’s Program Evaluation Report notes employee satisfaction is tracked in every division of the agency. How does the agency track employee satisfaction?
 The agency has conducted exit interviews by division and the agency as a whole over the years. During the 2020 pandemic, Survey Monkey data was collected on employee satisfaction relating to telecommuting, training, tools and needs. In addition, employee focus groups were formed to gather informal data on employee satisfaction.
- 8. Please provide any aggregated data the agency has on reasons employees leave the agency from the exit interviews it conducts.

From data collected during exit interviews conducted from July 2016 to April 2021, SC Commerce received the following reasons for leaving the agency.

Career Advancement/Opportunities	10
Retirement	10
Compensation	9
Quality of Supervision	2
Excessive Job Pressure	2
Other Standalone Reasons	6

Collaboration

- 9. When explaining TeamSC during the March 11, 2021 subcommittee meeting, Secretary Hitt testified that when he started, the agency had to “bring everyone back together.” In regards to this statement, please explain the following:
 - a. Situations that continuously exist and must be handled to keep everyone together;
 When Secretary Hitt began his tenure in January 2011, the economic development community in South Carolina was not consistently working in a collaborative manner, thereby missing the opportunity to take advantage of the strengths and knowledge of all stakeholders in economic development, whether public or private. SC Commerce, as the leader of our state’s economic development efforts, needed to bring together state and local agencies as well as other allies to work together as a team. Secretary Hitt made this effort a priority soon after arriving at SC Commerce. Since then, partners and allies in economic development have largely worked well together. Any issues with a particular entity have been isolated and are not an ongoing issue for maintaining a collaborative team approach to South Carolina’s economic development efforts.
 - b. Situations, other than those mentioned in a., the agency sees potentially arising in the future that could threaten the collaborative atmosphere which the agency states currently exists.
 Leadership, vision or priority changes can impact a collaborative approach to economic development.
- 10. Please provide an Excel chart that lists information, as shown in the example below, about memorandums of understanding (MOUs) the Department of Commerce has had, or currently has, with other agencies or quasi-agencies since Secretary Hitt began in 2011.

South Carolina Dept. of Agriculture (SCDA) – Project Management/Marketing the State	
Month and year agreement first entered	October 2011
Month and year agreement ended, if applicable	Annual agreement is on-going
Commerce’s responsibilities under agreement	<ul style="list-style-type: none"> • Lead agribusiness projects by providing project management with project managers who have a general knowledge of agribusiness. • Designate at least one primary agribusiness project manager who primarily works on agribusiness projects and meets with SCDA on a regular basis to provide status updates where appropriate. • Provide SCDA with a compiled "Investment Report" and "Prospect Status Report" for agribusiness by the first of each month. • Utilize SCDA as a resource for information and concerns related to prospects. • Work with SCDA officials to identify and execute one (1) agribusiness focused "trade mission" per year (domestic or international) and (1) agribusiness-related trade show per year. A multi-day trade mission may be substituted with a more feasible 1-2 day trade mission or a second SC Commerce conducted trade show, pending agreement between SDCA and SC Commerce. • Provide SC Commerce staff for other trade shows which SCDA plans to attend, when mutually beneficial. • All agribusiness trips and tradeshow are to be included on the regional alliance travel calendar. • Allow use of SC Commerce’s international lead generation firm when necessary for planned recruitment trip(s) (i.e. SIAL Paris and ANUGA). SCDA will provide 100% payment for these services. • Provide 5 hours per month of research to assist SCDA in specified research requests and sector specific research as resources are available. • Allow SCDA representative to participate in SC Commerce's "existing industry" call/visitation program when agribusiness issues arise or when discussing mergers/acquisitions. • Assist SCDA in expanding and executing a trade strategy for agribusiness.
Other agency’s responsibilities under agreement	<ul style="list-style-type: none"> • Maintain confidentiality of all prospects and company-specific information. • Provide input regarding agribusiness direction to the Director of the Global Business Development (GBD) of SC Commerce. Meet with GBD Division and/or agribusiness project manager(s) on a regular basis.

	<ul style="list-style-type: none"> • Receive and review monthly reports. • Pass leads to Director of GBD for project management assignment. • Develop agribusiness-specific areas of research for the recruitment of specified companies within the agribusiness industry. • Partner with SC Commerce at agribusiness-related trade shows and a trade mission trip, either domestically or internationally. For the mutually selected event(s), SCDA will be responsible for any travel and other related event/travel costs for SCDA employees/representatives. • Identify key locations for any trade show and/or trade mission trip and consult with SC Commerce on logistics and timing.
Benefits the agreement provides Commerce	Both parties desire to collaborate equally in efforts to further define the agribusiness sector and to focus recruitment efforts on that sector.
Benefits the agreement provides the other agency	Same as above.
Does agreement include transfer or sharing of data between the agencies	Yes.

The Forestry Commission – Project Management/Marketing the State	
Month and year agreement first entered	June 2012
Month and year agreement ended, if applicable	Annual agreement is on-going
Commerce’s responsibilities under agreement	<ul style="list-style-type: none"> • Develop a position description and salary range in collaboration with the S.C. Department of Agriculture (SCDA) and The Forestry Commission to define the job duties, responsibilities and compensation for the time-limited position. • When the position becomes vacant, issue a job posting for the position in consultation with SCDA and The Forestry Commission. Provide initial screening. Present the top candidates to the SCDA and The Forestry Commission for input. • Provide economic development training for the selected candidate. • Develop benchmarks and accountability measures for the position in conjunction with SCDA and The Forestry Commission and provide monthly status reports and meet, at least quarterly, to review progress. • Provide office space and administrative support to the position commensurate with the administrative and overhead support provided to other SC Commerce employees.

	<ul style="list-style-type: none"> • Establish a separate account in the South Carolina Enterprise Information System (SCEIS) to track expenses related to the position, including but not limited to, rent, desk phones, cellular telephone/Blackberry, computer, copier services, supplies, mailroom and building maintenance services, information technology support and GIS services. • The cost to The Forestry Commission, including salary, benefits and support, will not exceed \$30,000 per year or \$2,500 per month. Any additional costs to be covered by the SC Commerce and SCDA.
Other agency's responsibilities under agreement	<ul style="list-style-type: none"> • Work with SC Commerce to develop position description to define the job duties, responsibilities and compensation for the position. • When the position becomes vacant, work with SC Commerce to develop a job posting to be issued by SC Commerce. Review and evaluate the top candidates as submitted by SC Commerce and coordinate with SC Commerce to select the most qualified individual for the position. • Work with SC Commerce to develop benchmarks and accountability measures for the position. • Provide input regarding design, development or program direction to the Director of the Global Business Development (GBD) Division of SC Commerce. Meet with GBD Division and Agribusiness Recruiter on a quarterly basis. • Receive and review the monthly reports. • Direct any questions, comments or concerns to the Director of the GBD Division of SC Commerce, unless otherwise stipulated.
Benefits the agreement provides Commerce	Both parties desire to collaborate equally in efforts to further define the agribusiness sector and to focus recruitment efforts on that sector.
Benefits the agreement provides the other agency	Same as above.
Does agreement include transfer or sharing of data between the agencies	Yes.

Rural Infrastructure Authority (RIA) – Shared Resources

Month and year agreement first entered	December 2012
Month and year agreement ended, if applicable	Annual agreement is on-going
Commerce's responsibilities under agreement	<ul style="list-style-type: none"> • SC Commerce provides administrative support herein defined to include but not limited to the following categories: <ul style="list-style-type: none"> • Rent • Desk Phones

	<ul style="list-style-type: none"> • Cellular Phones • Computers • Copier Services • Supplies • Parking • Mailroom and Building Maintenance Services • Information Technology Support • CRM Licenses • Administrative Services • Legal Services • Board of Director's Software
Other agency's responsibilities under agreement	Administrative collaboration.
Benefits the agreement provides Commerce	Sharing of Back Office support and office space.
Benefits the agreement provides the other agency	Sharing of Back Office support and office space.
Does agreement include transfer or sharing of data between the agencies	Yes.

Jobs Economic Development Authority (JEDA) – Shared Resources

Month and year agreement first entered	April 2007
Month and year agreement ended, if applicable	Annual agreement is on-going
Commerce's responsibilities under agreement	<ul style="list-style-type: none"> • SC Commerce provides administrative support herein defined to include but not limited to the following categories: <ul style="list-style-type: none"> • Rent • Desk Phones • Cellular Phones • Computers and Software • Copier Services • Supplies • Parking • Mailroom and Building Maintenance Services • Information Technology Support
Other agency's responsibilities under agreement	Administrative collaboration.
Benefits the agreement provides Commerce	Sharing of Back Office support and office space.
Benefits the agreement provides the other agency	Sharing of Back Office support and office space.
Does agreement include transfer or sharing of data between the agencies	Yes.

S.C. Department of Health & Environmental Control (DHEC) – Recycling Market Development

Month and year agreement first entered	Mid-1990s (exact date not known)
Month and year agreement ended, if applicable	Multi-year agreement is on-going
Commerce's responsibilities under agreement	<ul style="list-style-type: none"> • Provide an annual report (as required by Section 13-1-380) that includes at a minimum: (1) a description

and an analysis of the state's existing recycling industry; (2) an analysis of the long-term capacity of existing markets to absorb materials generated by recovery programs; (3) an analysis of potential markets in the state, other states and other countries for recovered materials; and (4) recommendations for actions that may be taken to increase demand for recovered materials.

- Promote the recycling economic impact information for the state of South Carolina to include capital investment, jobs created and industry analysis. Create and distribute useful infographics on commodity materials and growth of the recycling industry.
- Provide business/industry recycling assistance to new and existing manufacturers in SC to include maintaining an online recycling directory of recycling businesses including making the Green Resource Index companies available in the directory, coordinating regional recycling meetings with manufacturers and recycling businesses, one-on-one site visits, phone consultation or technical assistance via email. Encourage businesses to report their recycling numbers via Re-Trac and the Smart Business Recycling program.
- Develop infrastructure and markets for recyclable commodities to include but not limited to glass, plastics, organics and other commodity material via outreach/education, meetings, events and other activities. Provide recycling market development assistance to new and existing recycling businesses to include but not limited to market assessments, data compilation and other confidential information. Work with Material Recovery Facilities processors to increase MSW recycling. Conduct meetings to bring together recycling industry to discuss status of recycling markets and find solutions to hard-to-recycle materials. Investigate developing a granting mechanism to allow for business grants to recyclers to increase throughput and efficiency of recycling industry.
- Develop markets for waste tires to assist with diversifying tire recycling and end-use applications by engaging with DHEC work group, tire manufacturers, recyclers, DOT and other stakeholders. Survey processors to which SC tires are being delivered, to determine where, how, what end-use and to quantify the numbers of tires being recycled. Provide recommendations to improve waste

	<p>tire recovery. Meet with DOT to determine if any short and/or long-term opportunities exist to use scrap tires in paving applications and if not, what would need to be done. Provide brief report on the overall activities on finding markets for scrap tires including recommendations to improve markets. Include recap of states using scrap tires in paving applications and document the number of tires used, miles paved, the positive/negative results of the paving and other pertinent information. Update report annually.</p> <ul style="list-style-type: none"> • Schedule and attend a year-end closeout meeting with DHEC in order to review progress and plan for the coming year. This meeting will be held no earlier than July 6 of each year and no later than September 15 of each year that the contract remains in force.
Other agency's responsibilities under agreement	Pays for services rendered per the contract agreement.
Benefits the agreement provides Commerce	<ul style="list-style-type: none"> • The overall mission of the Recycling Market Development Advisory Council (RMDAC) located within SC Commerce is to assist in the development of markets for recovered materials and products with recycled content in the state. • Funding to support 2.5 FTE positions and recycling market development programs.
Benefits the agreement provides the other agency	DHEC's Office of Solid Waste Reduction and Recycling principally oversees local government recycling programs. The agreement provides DHEC with the ability to have staff as well as local governments connect to new and existing recycling business services and manufacturers in South Carolina, recycling markets and existing industries that operate recycling programs by accessing staff and resources at SC Commerce as an avenue to advance recycling.
Does agreement include transfer or sharing of data between the agencies	Yes.

S.C. Department of Employment and Workforce – Defense Diversification	
Month and year agreement first entered	July 2015
Month and year agreement ended, if applicable	September 2017 (DEW and SC Commerce partnered over the course of two federal grant periods)
Commerce's responsibilities under agreement	Defense Diversification Coordinator work with defense firms and training providers.
Other agency's responsibilities under agreement	Grantee of the federal grant and project operator.
Benefits the agreement provides Commerce	<ul style="list-style-type: none"> • A large portion of the economy of South Carolina is tied to defense spending. The plan is to broaden our economic base before defense budget reductions become more pronounced.

	<ul style="list-style-type: none"> The goal of South Carolina’s response strategy is to assist defense firms in reducing their dependency on Department of Defense (DOD) procurement activity by encouraging them to diversify into other growing industries, primarily the aerospace and automotive industries, promoting more balanced portfolios in which DOD business does not occupy an outsized percentage of their overall business portfolio.
Benefits the agreement provides the other agency	Same as above.
Does agreement include transfer or sharing of data between the agencies	Yes.

South Carolina Department of Employment and Workforce – Cyber Security	
Month and year agreement first entered	April 2020
Month and year agreement ended, if applicable	On-going with both agencies actively pursuing year two funding from the federal government.
Commerce’s responsibilities under agreement	Company Coordinator to work with firms and providers.
Other agency’s responsibilities under agreement	Grantee of the federal grant and project operator.
Benefits the agreement provides Commerce	The grant partnership will provide technical assistance resources to assist in ensuring Defense Acquisition Regulations System (DFARS) compliance and the new Cybersecurity Maturity Model Certification (CMMC) to SC companies. DFARS is a set of cybersecurity regulations that the Department of Defense (DOD) imposes on external contractors and suppliers. The Partnership goal is for more South Carolina companies to be compliant and be able to compete for DOD contracts.
Benefits the agreement provides the other agency	Same as above.
Does agreement include transfer or sharing of data between the agencies	Yes.

11. As a way of providing advice to agencies who may have considered entering MOUs with other state agencies, what challenges has the Department of Commerce seen or experienced in entering and maintaining MOUs with other state agencies (e.g., desire of the other agency to enter it, length of time to discuss specifics prior to entering, etc.) and how were those challenges overcome?³
[The most difficult piece of any MOU is establishing each entity’s roles and responsibilities and establishing the boundaries within those. Agencies must be open to modifying these relationships on an annual basis to accommodate additional or different opportunities and approaches.](#)

12. Why does the agency believe having MOUs in place with other entities is worth the time and effort to enter them?
[Economic development is not just SC Commerce winning the project. A lot happens before and after a company announces a new or expansion project in South Carolina. The state and individual counties and communities need to be ready with infrastructure, available sites \(with plans on how to mitigate impacts of](#)

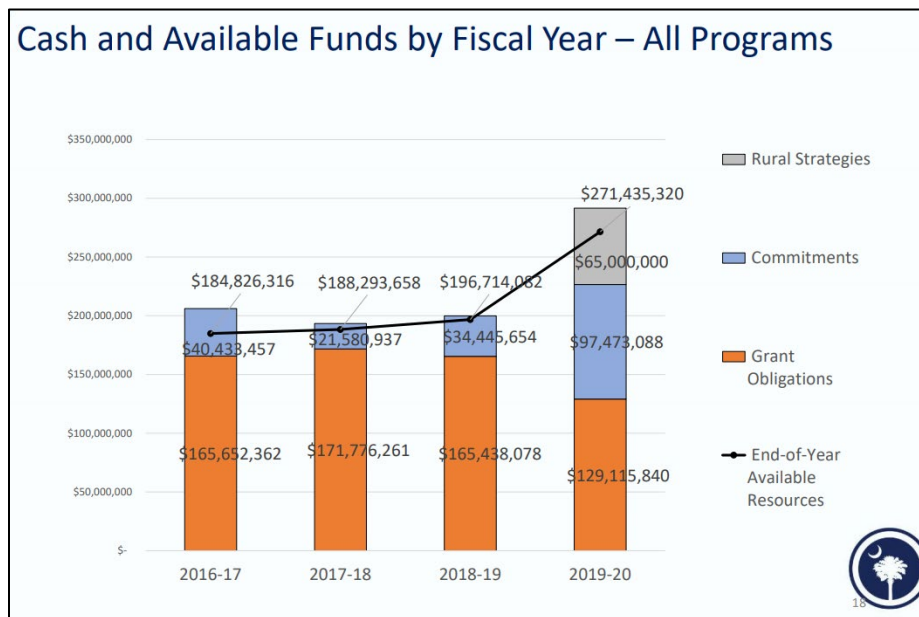
³ Note: Length of time was an issue noted by the Committee in a prior study when it took over a year for DHEC and SCDC to enter an MOU related to bulk payment and delivery of birth certificates.

industrial development), as well as available buildings and workers, among other factors that companies consider when making location decisions (what SC Commerce refers to as “Setting the Table”). Once companies are here, they need to be supported in a variety of ways (what SC Commerce refers to as “Service after the Sale”). Setting the Table and Service after the Sale involve multiple partners at the state and local level, for example the Small Business Development Centers and Manufacturing Extension Partnership, who must work together to achieve common goals. SC Commerce uses MOUs to make readily available specific talents and skills that the agency may find difficult to recruit. By partnering with other entities that have these needed skill sets and knowledge, SC Commerce enhances and can shorten response times to companies in the team approach to economic development.

Finance

***For purposes of this section, any reference to SC Commerce grant funds, commitments and obligations includes funds, commitments and obligations of the SC Coordinating Council for Economic Development.*

- 13. Please explain what the agency means when it uses the term “committed” in the context of discussing agency funds (e.g., committed to a project, committed to a category of grants, etc.).
Please see definitions for “Grant Obligation” and “Commitment” in response to Question No. 15. Failure to keep Commitments could pose significant credibility and reputational damages to SC Commerce for an extended period of time.
- 14. How is “committed” different from “available”?
Please see definitions for “Commitment” and “Available Resources” in response to Question No. 15.
- 15. Please define the terms that appear in the agency’s slide below.



- **Rural Strategies:** The \$65 million in funds provided by Proviso 50.21 of the FY2019-20 Appropriation Act.
- **Commitment:** When SC Commerce commits, in some manner, funds toward a particular project. Most often in the context of an economic development project, a commitment of grant funds is reflected in a

commitment letter or incentives summary, but sometimes may be made or amended verbally during the recruitment process. Usually a Commitment is communicated to a third party (consultant or company), but sometimes, during a recruitment, SC Commerce may commit or set aside funds internally (prior to any external communication) to ensure that funds will be available if South Carolina makes the short list for a significant project.

- **Grant Obligation:** A grant, agreement, MOU or other legally binding document that has been fully executed by both parties.
- **End-of-Year Available Resources:** Cash and anticipated receivables.

This graph illustrates that the amount of commitments and grant obligations exceed the end of year available resources at the end of each fiscal year.

16. Please define any other terms the agency regularly utilizes when discussing finances (e.g., “inked”).
“Inked” means a fully executed grant award or other agreement that commits SC Commerce funds.

Partnerships with Higher Learning

17. Please provide a copy of the index of college professor skills about which the agency testified during the March 11, 2021 subcommittee meeting.

South Carolina’s universities have a wealth of resources available to businesses across the globe. In collaboration with Clemson University, the University of South Carolina and the Medical University of South Carolina, SC Commerce is building a web-based resource portal to increase collaborations between higher education and industry. The public portal will initially include 1,500 faculty experts as well as information about equipment, research support services, intellectual property (IP) and other assets that drive technology commercialization. Accessibility to this high-quality data will empower industry leadership, economic developers and the university communities to identify potential partners, while enabling a next-generation mechanism to recruit research and development headquarters to the state. This is an ongoing project, anticipated to launch in early summer of 2021, under the state’s established innovation platform, Scribble. Tracking technology licensing deals, university service agreement income and university federal grant awards are potential measures for success over time.

18. Is the agency aware of colleges or universities partnering with state government to create solutions like they do with private businesses?

SC Fraunhofer USA Alliance (SCFUSA) received one project application led by the University of South Carolina for the telehealth project for S.C. Department of Corrections. The objectives of this project include: plan, design and implement a telehealth solution together with Prisma Health and S.C. Department of Corrections; pilot test the solution in one Corrections’ facility; and conduct formal evaluation of telehealth pilot implementation.

19. Would the agency have any issues discussing the digital onboarding tool with the State Human Resources Division within the Department of Administration to determine if it may be useful in addressing high turnover in some agencies across state government?

No.

Community Development Block Grant Program (CDBG), including CARES funding

20. The agency's Program Evaluation Report mentions the S.C. Infrastructure Funders Coordinating Committee, which is coordinated by the Community Development Block Grant Program within the agency.⁴ The agency indicates meetings are generally held at least quarterly to discuss joint funding and other projects, address funding gaps and identify solutions to current challenges.
- a. How is the public informed about these meetings?
To date, there has not been public notice of these meetings because this is not a public body as defined by South Carolina law. This collaborative group of federal and state stakeholders involved in water and wastewater infrastructure has no decision-making authority and does not receive public funding or other support. While this group is not required to comply with public meeting notifications, SC Commerce is amenable to addressing public interest.
 - b. Are minutes accessible to the public?
There are not minutes taken at these meetings.
21. Please explain what the agency learned from disaster recovery efforts, which assisted in deciding terms to include in current or future contracts.
For disaster recovery efforts implemented over a period of months or years, SC Commerce has found an implementation fee paid out pro rata when certain deliverables are completed worked well and ensured that funds were not extended until services were provided.
22. Please provide example terms which discuss customer feedback, from prior agency contracts.
An example from the disaster recovery contract: once 500 homes were repaired, and if open complaints were less than 5% of all homes repaired, then the contractor would be eligible for a 1% payment. This is deliverable repeated at 1,000 homes and then again upon completion of repairs to all homes.
23. Please provide a copy of the contract with Guidehouse and list the provisions within the contract outlining Commerce's expectations of the vendor and what it must do to earn payments.
The contract, which includes the payment schedule that is tied to deliverables, is attached as Appendix A.
24. Please provide a list of example programs Councils of Government around the state are asking to utilize the federal CDBG COVID CARES funding for and separate them by those that do and do not fall within the CARES funding parameters.
***Information received as of April 1, 2021 and specific to Public Service.

Public Service – Ineligible

- General government services are not eligible under this program.

Public Service – Potentially Ineligible /Law Enforcement-Specific

- Fully Body Security Scanner
- Body Temperature/Metal Detector
- Communication Dispatch Console
- Police SUVs
- Body Shields
- Drones

⁴ See PER response to question 15

- UVC Light (Robot, Bulb, etc.)
- Electrostatic Sprayers and Solution
- Interactive Whiteboard
- Human Resources Computer Software

Public Service – Eligible

- Utility payments to non-government entities
- Assistance to food distribution:
- Payment of hot spots for children or shut-ins
- Staffing for vaccine distribution

Public Service – Potentially Eligible pending more information

- Fire Department Bunker/Turnout Gear
- Fire Department Washer/Extractor
- SCBA Breathing Apparatus
- Basic Life Support Fire Engine
- Ambulance
- Temperature Kiosk
- Rapid COVID testing for first responders

Public Facilities – Eligible

- Bamberg County -- potential broadband project
- Air Filtration systems in qualifying facilities and for qualifying populations

Responsibilities

25. Please provide a matrix with the general steps in landing or expanding a business, the players involved in each step, and the potential roles each could play from the information presented thus far by the agency. Please send updated information after each agency presentation.

While no two projects follow the exact same process, there are several steps in the process that most companies follow to some degree. This is not an exhaustive list of every step but gives a general idea of how the process unfolds.

Step 1 – Company decides a new location is necessary for its business and identifies and ranks criteria that are required in this new location. The company may conduct the search or decide to utilize a consultant to assist with the process.

Step 2 – Company or consultant contacts the states that meet their location criteria to begin the process. This contact may be via phone, online call, email or through the SC Commerce website. The director or deputy director of Global Business Development at SC Commerce will assign a project manager to be the single point of contact for the company/consultant during the process.

Step 3—Typically, SC Commerce must execute a nondisclosure agreement before the company or consultant will provide further information and for the project to move forward.

Step 4 – The company/consultant completes a project profile sheet that details the company’s plans for the next five years including capital investment, job creation and wages. The company may also provide real estate requirements in order for SC Commerce to assist with the real estate search. Some companies/consultants issue a formal Request for Information (RFI) that SC Commerce and counties must complete.

Step 5 – SC Commerce project manager contacts the regional economic development alliance and/or counties that meet the company’s requirements in order to respond to the company’s RFI. SC Commerce’s Research Division helps coordinate the data gathering with local partners to ensure the state’s response is timely and complete. Information provided may include demographic, workforce, sites and buildings, incentives, training, utility and quality of life.

Step 6 – The company identifies which states/communities to visit to further understand what each location has to offer. Typically, this visit is in-person, but lately has been conducted via Zoom or other online meeting platforms. The itinerary depends on the length of the visit and the company’s priorities, which may include site and building tours, utility and training discussions, existing employer interviews and community tours.

Step 7 – Once the site visit is completed, the company usually targets communities in which to continue its investigation. At this point, the state and locals are exchanging information with the company/consultant to answer any additional questions.

Step 8 – The company typically selects two to three finalist locations for incentive negotiations. SC Commerce and the local community present a combined incentive summary that details what incentives the company may qualify for and the estimated value of those incentives. The summary is based on the project profile sheet provided by the company. Incentive negotiations continue until the company reaches a decision. The incentive approval process (at both the state and local levels) may begin at this stage depending on the company’s final decision timeframe.

Step 9 – Once a company chooses South Carolina, SC Commerce’s Marketing and Communications Division coordinates a project announcement with the company and the Governor’s Office. This project announcement may include a press release, media event and/or groundbreaking depending on the wishes of the company.

26. Please provide a chart with the agency’s understanding of the categories of entities involved in economic development (e.g., Department of Commerce, Regional Economic Alliances, County Economic Development offices, County Council, Power Team, Council of Government, etc.) and, for each, a brief bulleted list of their responsibilities.

- **SC Commerce** –The lead agency for economic development in the state. Coordinates all project activities with the local economic development partners and other allies.
- **Regional Economic Development Alliances (REDOs)** –Eight regional alliances in the state provide a variety of services to member counties, and the level of services differs by the unique needs of each region. Marketing is a common service for all alliances, but other services may include research, project management and talent attraction, among others. SC Commerce coordinates marketing efforts with the regional alliances to avoid duplication where possible.

- **County Economic Development Offices (EDO)** –The lead on all local economic development activities to include existing industry visitation, product development and local marketing. SC Commerce coordinates all projects with the local EDOs.
- **County Council** –County council is the approving entity for local policies related to economic development and sets county EDO budgets if they are a county department. Local incentives, such as fee in lieu of property tax agreements, are approved by the applicable county council.
- **SC Power Team** –The local economic development marketing arm of the 20 electric cooperatives and Central Electric Cooperative. SC Power Team also provides funding to local communities to assist in product development.
- **Other Allies** – SC Commerce routinely brings in other experts from the ally network that could include utility companies, economic development attorneys, bankers, contractors and engineering firms.

Grants/Funding

27. For each type of grant included in the agency’s “Setting the Table” presentation, please explain the following:

- Primary customers (e.g., counties, cities, private business);
- Requirements to qualify for the grant (e.g., matching, etc.);
- Process, step by step, for deciding which projects are awarded the grants; and
- Who makes final decision on whether the grant is awarded (e.g., Department of Commerce, Coordinating Council, etc.).

Community Development Block Grant (CDBG) Program

a. Primary Customers

All units of general local government (towns, cities and counties) are eligible to apply for CDBG financial assistance with the exception of the 11 large cities and seven urban counties that participate in the CDBG Entitlement program and receive CDBG funds directly from the US Department of Housing and Urban Development (HUD).

For 2021, the ineligible cities include: Aiken, Anderson, Charleston, Columbia, Florence, Greenville, Hilton Head Island, Rock Hill, Spartanburg, Summerville and Sumter. The HUD designated urban counties are Berkeley, Charleston, Greenville, Spartanburg, Horry, Lexington and Richland. Unincorporated areas of the designated urban counties, and any municipalities within the county that choose to participate with the county, are also not eligible.

b. Requirements to Qualify

- Meet one of three CDBG National Objectives:
 - Benefit low- and moderate-income persons;
 - Aid in prevention or elimination of slums or blight; and
 - Meet other community development needs having a particular urgency because existing conditions (1) pose a serious and immediate threat to the health or welfare of the community, and (2) are of recent origin or recently became urgent and (3) where other financial resources are not reasonably available to meet such needs.

- Involve CDBG Eligible Activities as specified in Section 105(a) of Title I of the Housing and Community Development Act.
- Meet the additional eligibility requirements of the state CDBG Program for the various program funding categories (see below).
 - **Community Infrastructure \$11.3 million** (*residential water, sewer, drainage*)
 - Maximum \$750,000, Minimum \$50,000 and a 10% match is required.
 - Application requests due March 15, 2021. Applications due April 16, 2021.
 - **Community Enrichment \$3 million** (*activities incl. libraries, police or fire substations, demolition to support crime prevention, health clinics, brownfield demolition, downtown streetscape, etc.*)
 - Maximum \$500,000 (\$750,000 for streetscape projects), Minimum \$50,000 and a 10% match is required.
 - Application requests due August 16, 2021. Applications due September 17, 2021.
 - **Neighborhood Revitalization \$1 million** (*comprehensive revitalization in a targeted LMI neighborhood*)
 - Max. \$500,000 (\$750,000 if incl. infrastructure), Minimum \$50,000 and 10% match is required.
 - Application requests due August 16, 2021. Applications due September 17, 2021.
 - **Special Projects \$1 million** (*historic preservation, innovation, energy conservation, parks, trails/greenways, public services*)
 - Maximum \$200,000, Minimum \$50,000 and a 10% match is required.
 - Application requests due August 16, 2021. Applications due September 17, 2021.
 - **Ready to Go \$600,000** (*residential water, sewer, drainage, and other eligible public improvements*)
 - Maximum \$500,000, Minimum \$50,000 and a 10% match is required.
 - Applications accepted as funding remains available.
 - **Business Development \$2 million** (*job creation and retention/economic development*)
 - Maximum based on need, cost per job, and capital investment, Minimum \$50,000.

c. Review Process

Grants Administration reviews all applications for completeness and eligibility of activities under federal and state guidelines. Applications will also be reviewed based on the following factors to determine fundability and feasibility of the project:

- Appropriateness of the technical design given the size and resources of the community and the complexity of the problem.
- Project is ready to start.

Applications that are incomplete or contain significant problems, deficiencies or discrepancies, such that a determination of the viability or fundability of the project cannot be readily determined, are not to be considered and returned to the applicant. Projects that are controversial locally are not considered feasible until the controversy is satisfactorily resolved. Clarifications to the application

that are requested by Grants Administration must be submitted within the timeframe specified and must be acceptable to Grants Administration. Failure to adequately respond within the timeframe may result in return of the application to the applicant or the grant award may be reduced to eliminate questioned activities.

An on-site review of the proposed project may be conducted as necessary to verify information in the application. Upon completion of the feasibility and fundability review, applications will be evaluated and scored based on the selection criteria below.

Community Distress 5%

- (All projects) Projects are assigned a score from highest to lowest based on location in one of the distressed county designations (as defined by the SC Department of Revenue for the purpose of determining job tax credits)
 - ◆ Tier III and IV (Distressed and Least Developed) Counties = 3
 - ◆ Tier II (Moderately Developed) Counties = 2
 - ◆ Tier I (Developed) Counties = 1

Severity of the Problem 10%

- Degree that public health and safety is affected, if applicable, and
- Degree facilities/services are currently serving the community and the adequacy of the facilities/services, as applicable
 - ◆ Severe need = 3
 - ◆ Moderate need = 2
 - ◆ Slight need = 1

Citizen Participation 5%

- Outreach efforts to low- and moderate-income citizens and racial, ethnic and special population concentrations,
- Needs assessment is comprehensive and solicited from broad community,
- Project is top 3 priority need unless otherwise justified,
- Public hearings held according to requirements,
- Participation in hearings by broad community, and
- Local leadership, businesses and residents are committed to the project, and there is no evidence of controversy or disagreement

Scores based on review of above factors:

- ◆ All requirements met and significant additional efforts and participation = 3
- ◆ Above minimum effort but additional effort or participation limited = 2
- ◆ Minimum requirements met = 1

Level of Effort 5%

- Return on CDBG investment ratio compared to all projects
 - ◆ Rank ordered and assigned points in logical increments

Feasibility 15%

- Effective project planning addresses all aspects of project and outcomes are achievable
 - ◆ Long term, viable solution to the problem
 - ◆ Past efforts to solve problem and develop plans for implementation, and
 - ◆ Alternatives considered and best solution being implemented, and
 - ◆ Cost estimates are current; appear reasonable based on need, impact and benefit; all necessary costs included; and
 - ◆ All project resources are available in a timely manner, and
 - ◆ Project is eligible and all qualifying households determined and committed

Scores based on review of above factors:

- ◆ Effective project planning and ability to achieve outcome with resources available in a timely manner = 3
- ◆ Some concerns which impact ability to achieve outcome in a timely manner = 2
- ◆ Significant issues which impact ability to achieve outcome in a timely manner = 1

Readiness to Proceed 5%

- Readiness to proceed with project if awarded
 - ◆ Environmental review submitted to Grants Administration
 - ◆ Engineer/Architect selected
 - ◆ Design complete

Scores based on review of above factors:

- ◆ One point will be assigned for each of the above activities completed, up to a maximum of three points

Cost/Benefit 5%

- CDBG cost/benefit ratio compared to all projects
 - ◆ Rank ordered and assigned points in logical increments

Beneficiaries 5%

- Total persons benefiting (2.5%)
 - ◆ Rank ordered and assigned points in logical increments
- LMI % benefiting (to be scored regardless of the national objective) (2.5%)
 - ◆ 100-85 = 3
 - ◆ 84-65 = 2
 - ◆ 64-51 = 1

Outcome 20%

- Implements a comprehensive plan for revitalization or development
- Provides new or improved access to public services or facilities
- Supports healthy and safe neighborhoods and community
- Contributes to overall community sustainability- economically or environmentally
- Acts as stimulus for additional investments

Scores based on review of above factors:

- ◆ Significant Impact = 3
- ◆ Moderate Impact = 2
- ◆ Lower Impact = 1

Project Sustainability 5%

- Extent to which improvements can be maintained without creating new, undue tax burdens
 - ◆ Infrastructure operating revenues as measured by annual rate per 6,000 gal /median household income for applicant
 - ◆ Rank ordered and assigned points in logical increments
 - ◆ Budgets and market studies indicate ability to sustain improvements and does not result in new, undue operating burden

Scores based on review of above factors:

- ◆ Ability to maintain documented = 3
- ◆ Some ability = 2
- ◆ Limited ability = 1

State Priorities 10%

- Extent to which project proposes to address identified state priorities as listed under each program category.

Community Infrastructure, Community Enrichment, Neighborhood Revitalization, Special Projects:

- ◆ First priority projects = 3
- ◆ Second priority projects = 2
- ◆ Third priority projects = 1

Ready to Go priorities will be based on Community Infrastructure or Community Enrichment priorities, as applicable.

Capacity 10%

First time applicant or previous recipient with grants closed over three years will receive maximum points.

Previous applicants - Performance on grants in last three years:

- Compliance with program requirements (monitoring and match commitment) (3%)
 - ◆ All requirements met on all applicable grants = 3
 - ◆ Requirements are generally met (minor issues) on all grants = 2
 - ◆ Significant requirements not met on 1 or more grants = 1
- Achieved program benefits (3%)
 - ◆ Total and LMI benefit numbers exceeded or on target for all grants = 3
 - ◆ Benefit reduced by 10% or less = 2
 - ◆ Benefit reduced more than 10% = 1
- Timely completion of projects (3%)

- ◆ All projects completed within 24 months = 3
- ◆ All projects completed within 30 months = 2
- ◆ All projects completed within 3 years = 1
- Timely submission of reports and information (1%)
 - ◆ All information submitted within required timeframes = 3
 - ◆ Average of less than 30 days late = 2
 - ◆ Average exceeds 30 days = 1

Opportunity Zone Bonus Points 10 points

- ◆ Projects located in Opportunity Zones will receive an additional 10 bonus points.
- ◆ For more information about SC Opportunity Zones, and to verify the location in an Opportunity Zone, go to [www.http://scopportunityzone.com/](http://scopportunityzone.com/)

Applications are scored against other applications submitted in the same program. For example, Community Infrastructure applications are compared and scored against each other. The selection criteria will be rated and assigned a score from 1 to 3 where 3 = the best response, 2 = average and 1 = less than satisfactory. Zero points may be awarded to a criterion if minimum program requirements are not addressed. The point assignment is multiplied by the weight of each criterion to obtain a score. There is a maximum score of 300 points.

Grants Administration may utilize the expertise of other appropriate state agencies, such as SC DHEC, the SC Rural Infrastructure Authority or the State Housing and Finance Development Authority in making a determination regarding the above factors. Grants Administration may request additional information from the applicant or other sources as necessary to evaluate the application and proposed project. Grants Administration reserves the right to negotiate or require changes in activities or funding in order to achieve program objectives. For water and sewer projects, the state may require that rates be adjusted to appropriate levels to ensure adequate funding for operation and maintenance or to facilitate borrowing a portion of project costs if such rate increases are reasonable and appropriate.

In the event of a tie when applications for funding exceed funds available, preference is given first to those applications addressing the highest state priorities and second to those with the highest outcome score, with the highest LMI impact serving as a final tie breaker. The highest scoring projects are recommended to the Secretary of SC Commerce, or his designee, for funding based on the amount of funds available. Projects generally should score at least 175 points to be considered for funding, but no projects are guaranteed funding.

d. Final Decision

The Secretary, or his designee, will make final funding determinations based on a review of the projects utilizing the selection criteria and that best meet SC Commerce’s objectives.

Appalachian Regional Commission (ARC) Program

a) Primary Customers

Area Development funds:

State and local governments, government entities, local governing boards and non-profit organizations located in the ARC designated counties of Anderson, Cherokee, Greenville, Oconee, Pickens and Spartanburg.

Local Access Road (LAR) funds:

Government entities from one of the six ARC designated South Carolina counties.

NOTE: Application and review processes listed below apply to both the Area Development and ARC programs.

b) Requirements to Qualify

To be eligible:

1. A project must be located in the six-county region of Appalachia and benefit residents of Appalachian SC (Anderson, Cherokee, Greenville, Oconee, Pickens and Spartanburg) and fall into one of the eligible applicant categories listed above.
2. Projects must address one or more of ARC investment priorities: Economic Opportunities, Ready Workforce, Critical Infrastructure, Core Natural and Cultural Assets and Leadership and Community Capacity.
3. The project must also address one or more of the state of South Carolina's ARC strategies that are developed based upon ARC investment priorities. South Carolina's ARC strategy statement is updated every year to set forth the Governor's goals and objectives for South Carolina's ARC program.
4. *To qualify after being deemed eligible:* Projects must fit into one of the three project categories: Construction, Non-Construction and Planning. ARC sets eligibility for applicants and maximum funding limits for each category of project. Construction projects may request up to \$500,000 in federal funds with eligible applicants being state and local governments, government entities and local governing boards. Non-construction projects may request up to \$250,000 in federal funds with eligible applicants being as listed in point A. Planning projects may request up to \$50,000 in federal assistance and must be an eligible applicant as listed in point A.
5. Eligible applicants are required to meet match percentages based on the geographical location (i.e. county) of the proposed project. ARC county designations and match percentages are evaluated every year by the Commission as required by federal mandate. All ARC funding awards are based on county designations that carry specified match requirements. South Carolina's ARC county designations for FY 2021 are as follows:
 - **Anderson** – Transitional County designation – 50% local funds or other sources required match.
 - **Cherokee** – At-Risk County designation – 30% local funds or other sources required match.
 - **Greenville** – Competitive County designation – 70% local funds or other sources required match.
 - **Oconee** – Transitional County designation – 50% local funds or other sources required match.
 - **Pickens** – Transitional County designation – 50% local funds or other sources required match.
 - **Spartanburg** – Transitional County designation – 50% local funds or other sources required match.

ARC allows an applicant a variety of ways to source match, including other federal funds, state funds, local funds, private funds/donations, volunteer time, in-kind services and forced labor accounts. Additional leveraging from various project partners is encouraged.

c) Application Process

An interested party submits a pre-application request providing a brief description of the proposed project along with a cost estimate and project map to the state’s ARC program. The pre-application request is evaluated to determine if the proposal aligns with ARC’s investment priorities, South Carolina’s ARC strategies, meets the applicant eligibility criteria, commits to the required match for the project location, is geographically located in South Carolina’s ARC region and will provide benefit to residents/businesses of Appalachia South Carolina. The pre-application process is done annually, and requests are typically received in November of every year for the next calendar year’s funding cycle.

Once pre-application requests are reviewed at the state level, selections are made to move proposed project to the full application stage. Selections are based on the criteria mentioned upon and on the dollar amount allocated to South Carolina from ARC’s Congressional appropriation. South Carolina averages approximately \$2 million a year for the area development program.

Entities invited to make full application are required to follow the ARC application process set forth in ARC’s application checklists for construction and non-construction projects. The applicants have two months to complete the application which includes all applicable federal forms, project narrative, budget narrative and listing of performance measures. The narrative of the application will address subjects such as financial stability, sustainability, feasibility, community support and performance measurements/return on investment figures.

The completed application will first be reviewed at the state level, and revisions may be requested to better align the project application to ARC expectations. Once the application has completed the state review, the Governor’s ARC Alternate makes a recommendation on the Governor’s behalf on projects the state would like for the Commission to consider for funding. These project applications are transmitted electronically to Washington D.C. in the late March or April of each year.

The federal review process begins once the Governor’s ARC Alternate’s transmittal letter is received and the project applications are logged into ARC application system. Each project application is assigned to a member of ARC staff for initial review, and if the application is in good order, it is moved to either the Director of Infrastructure or Director of Business and Workforce Development for approval. Once approved at the director level, the project application is forwarded to the ARC Executive Director for approval. After the Executive Director approves the project application, it is sent to the ARC Federal Office where Federal Office staff review it again and present it to ARC’s Federal Co-Chair. At any time during the federal review process, an application can be revised or not approved. The final approval for an ARC project application is with the Federal Co-Chair. This official is a presidential appointee confirmed by the United States Senate.

When a project application is approved by the Federal Co-Chair, ARC’s General Counsel drafts a grant agreement which is forwarded to the authorized representative listed on the application for signature. Once the local entity signs the grant agreement, the award is executed by ARC.

d) Final Decision

For the most cases, ARC’s Federal Co-Chair. However, the Governor does have the opportunity to request reconsideration of a proposal.

LocateSC Program

- a. **Primary customers**
Counties and Regional Alliances

b. Requirements to Qualify

LocateSC provides capital to support multiple grant initiatives; each initiative has different guidelines. The baseline requirement for all initiatives is public control of the property, which is required in order to protect the public investment and ensure funds are utilized for the intended use. Beyond that, each application is reviewed by a committee based on a number of components, including, but not limited to: the applicant’s ability to leverage requested funds; how the project will benefit the site’s marketability; and, how the completed project will add to the local and state portfolio.

c. Application Process

The application process includes a comprehensive review of the project. The applicant drafts a narrative that explains the need for the potential project and what impact the completed project has to the local, regional and state portfolio. Additional documentation is also provided by the applicant to substantiate the project cost and timeline, as well as letters from the other funding partners committing to the project. This information is reviewed and supplemented with additional research and a potential site visit by SC Commerce to formulate a complete understanding of the project. The information is then presented to an intra-agency committee for discussion and a final decision.

d. Final Decision

An intra-agency committee, including members of SC Commerce’s executive staff (both Deputy Secretary and CFO), Product Development and Global Business Development, are presented project applications along with the data collected internally. The committee discusses the project, and a final decision is made.

SC Fraunhofer USA Alliance (SCFUSA)

a. Primary Customers

Private sector companies with business operations in South Carolina, SC academic partners and one state agency to date.

b. Requirements to Qualify

Scoring criteria (see below). Scoring is done by various SCFUSA Review Board members, and two scores are provided by the “client” (private sector partner and academic partner).

Assessment Criteria		Scoring to be done by:
30%	Does the project enhance the client’s competitiveness and lead to additional job creation? If yes, how will competitiveness be improved and how many possible new jobs could result?	Proposers/Client
20%	Does the proposed project match the Alliance’s collective competencies/capabilities?	FhUSA
15%	Does the project offer other positive secondary impacts? For example: Is a supply chain strengthened? Will employee skills be enhanced and justify higher wages?	Proposers/Client
10%	Is the organization operating and/or have a substantial investment, presence, workforce in South Carolina? The more direct the impact on SC economy, the better the project	SC Dept. of Commerce
10%	Does the project offer strategic benefits to any of these overall State goals: 1) supporting small and medium enterprises 2) supporting rural-based companies 3) supporting growing technology sector 4) Other	SC Dept. of Commerce
10%	Does the project address one or more of South Carolina’s strategic industries targeted for expansion by Commerce? Projects that build success stories in Manufacturing, Healthcare, or Shipping and Logistics are preferred.	SC Dept. of Commerce
5%	Can the project serve as a economic development showcase to attract new domestic and international business to South Carolina?	SC Dept. of Commerce

c. Application Process

Applications are accepted on a rolling basis and are submitted online at <https://sccompetes.org/job/sc-fraunhofer-usa-application/>. Once submitted, the scoring process begins by select SCFUSA Review Board members, and results are compiled by the SCFUSA Director. The project is then presented by the client and/or academic partner, reviewed and discussed by the SCFUSA Review Board who decides to recommend the project for funding or not.

d. Final Decision

Once the SCFUSA Review Board has recommended the project for funding to SC Commerce, the Secretary of Commerce makes the final decision.

28. Please list projects in the last four years that utilized one or more agency grants as a match to obtain another agency grant.

➤ **City of Inman** – Streetscape Improvements – Awarded August 2016

ARC funds were used to make continued improvements to Mill Street and Main Street, two primary corridors in the downtown area. The project included sidewalk and crosswalk improvements, traffic infrastructure improvements, signage, installation of curb cuts and handicap parking areas, decorative security fencing, benches, decorative pavers and landscaping. The streetscape improvements beautified the downtown area and mitigated hazardous conditions to attract new businesses and customers.

- **Performance Period:** 8/2016 – 8/2019
- **Spartanburg County:** ARC Match Requirement 50%
- **Total Project Cost:** \$1,258,532.00

Budget Breakdown:

ARC*	\$500,000
CDBG**	\$500,000
City Funds***	\$258,532

**ARC – City received maximum award amount from ARC for a construction project.*

***CDBG – City was awarded to complete the first phases of the Mill/Main Streetscape in November of 2015. Spartanburg County’s HUD entitlement only covers the unincorporated areas.*

****City’s Match portion was funded by the city.*

Project was completed in spring of 2019 and closed by ARC program management on April 11, 2019. The project was also audited by ARC Inspector General’s contracted auditors (Leon Snead & Company, P.C.) in November of 2019, and the city received a clear audit with no findings or recommendations. Auditors noted all grant management processes were handled in accordance to federal regulations and guidelines.

➤ **City of Pickens** – Pickens Doodle Trail Head ARC Project – Awarded May 2017

ARC funds were used to create the Pickens Doodle Park which features an open-air farmers market designed as a replica of the original Pickens Railway Depot, outdoor seating, ADA accessible family restrooms, ADA accessible playground equipment, outdoor exercise equipment and incorporated environmentally sustainable features such as solar and on-site storm water retention.

- **Performance Period:** 5/1/2017 – 4/30/2020
- **Pickens County:** ARC Match Requirement 50%

- **Total Project Cost:** \$1,365,568.00

Budget Breakdown:

ARC*	\$500,000
CDBG**	\$185,000
RTP***	\$100,000
CITY Funds****	\$580,568

**ARC – City received maximum award amount from ARC for a construction project.*

***CDBG – City was awarded funds to demolish a structure at the Pickens Rail Depot in November 2016. This funding was additional leveraging for the project not a portion of the 50% required match.*

****RTP – Recreational Trails Program – SCPRT granting agency. Funded by Federal Highway Administration (FHWA) in 2017. This funding was also additional leveraging for the project.*

*****City portion was from the following local funding sources: general, utility, storm water and hospitality. The city also contributed approximately \$24,000 toward the project with in-kind labor costs. The city employees did the labor on the site preparation and the installation of exercise and playground equipment.*

Project was completed in late 2019 and closed by ARC program management on January 7, 2020.

Grants/Funding (cont.)

29. In regards to grant money rolling over as testified by agency representatives at the March 11, 2021 subcommittee meeting:

- a. Does it remain within the same bucket categories (e.g., LocateSC due diligence v. site enhancement v. strategic infrastructure, etc.)?

No.

- b. If not, please explain how much is allocated to each bucket at the start of a year, and how the money remaining at the end of the year is allocated.

For LocateSC, the SC Commerce Chief Financial Officer (CFO) and Deputy Secretary of Commerce, subject to approval by the Secretary, and after determining current funding levels provided by the General Assembly, allocate funding into various programmatic categories as previously discussed during the presentation. Although funds can be reallocated to meet programmatic needs, funds are preliminarily allocated at the beginning of each fiscal year. LocateSC carryforward funds can be reallocated at year-end based on agency and programmatic needs as identified by the CFO and Deputy Secretary, subject to approval of the Secretary.

30. Please list the data tracked for each grant the agency awards and explain why it is tracked.

Information about each property is tracked within the LocateSC database. A number of data points, which are listed below, are tracked for each site related to location, physical details, availability, utilities, transportation and due diligence. These data points are tracked because of their importance to incoming companies when analyzing potential locations. Information captured in these fields allows prospects to evaluate which properties meet their requirements and where potential risk may exist. Risk and some of these factors will be discussed more during the Project Management presentation.

- Location
 - Address

- County
- Municipality
- Zoning
- Surrounding Land Use
- Within Opportunity Zone

- Physical Details
 - Total Acreage
 - Developable Acreage
 - Largest Contiguous Tract
 - Minimum Divisible Acreage
 - Potential Additional Acreage
 - Maximum Building Size
 - Site Improvements
 - Interstate Visibility
 - Elevation Min & Max
 - Description of Soil
 - Site Description
 - If located in a Park, Park Name

- Availability
 - Ownership Type
 - Sales Price
 - Asking Lease Rate
 - Build to Suit Anticipated Lease Rate

- Transportation
 - Access Road
 - # of Access Road Lanes
 - Barge Accessible
 - Name of Waterway
 - Depth
 - Rail Accessible
 - Carrier
 - Runway Accessible
 - Name of Airport
 - Runway Length
 - Nearest Airport & Distance
 - Nearest Intermodal Facility & Distance
 - Nearest Port & Distance
 - Nearest Inland Port & Distance
 - Nearest Interstate & Distance

- Utilities
 - Water
 - Provider
 - Distance to Nearest Line
 - Size of Nearest Line

- Sewer
 - Provider
 - Distance to Nearest Line
 - Size of Nearest Line
- Natural Gas
 - Available?
 - Provider
 - Distance to Nearest Line
 - Size of Neatest Line
- Electric
 - Electric Territory
 - Primary Provider
 - Secondary Provider
 - Distance to Nearest Line
 - Size of Nearest Line
- Telecom
 - Provider
- Availability of Other Utilities (Y/N)
 - Hydrogen
 - Oxygen
 - Nitrogen
 - Steam
 - Propane
- Due Diligence Studies Available (Y/N)
 - Archaeological Survey
 - Boundary Survey
 - Protected Species Assessment
 - Preliminary Geotechnical Exploration Report
 - Phase I Environmental Survey Assessment
 - Topographical Survey
 - Wetlands Delineation
- Contacts
- Images

31. When is the last time the agency reviewed the data it tracks for potential revisions?

The LocateSC database is continually monitored to ensure the data collected is relevant and necessary, and changes are made as needed. However, the last time the database went through a comprehensive overhaul was mid-2018.

32. In regards to the agency's overall grant distribution strategy, **responses specific to LocateSC program**

- a. Does the agency focus on utilizing as many grants as possible to get a few sites fully ready for a business to come in; OR
- b. Does the agency attempt to spread the grants to as many different sites throughout the state as possible, even if that means some of those sites may still only be half ready; OR
- c. Does the agency utilize some other strategy?

All projects are initiated by a county or regional economic development alliance. Because of the level of economic activity in some counties, the county and local alliance do not have to be involved in site development because private industry is willing to invest in potentially marketable sites without public participation. Accordingly, SC Commerce typically focuses LocateSC resources on rural areas of the state that are not as attractive for private investment and do not have as many (or any) marketable sites. LocateSC is also used to reduce risk and the timeline for a company to be up and running.

33. What are the internal objectives for each bucket of LocateSC grants (i.e., due diligence, site enhancement, and strategic infrastructure)?
- Due diligence – reduces risk for prospective piece of property before state/local government invest significant resources
 - Site enhancement – competitive program where counties prioritize projects that they are interested in making more marketable
 - Strategic infrastructure – potential projects known to the state that provide opportunities for the state to improve its marketability and competitiveness
34. Please provide a chart for each of the last four years, separated by county, with the list of grants available and dollar amounts to allow us to see the difference in total dollars available to different counties. Please provide any other separators in this data the agency feels is needed to accurately compare apples to apples between counties. An example chart for one year is provided below.

2017

County	LocateSC Grant ¹ (total amount available statewide listed)	CBDG ² (total amount available statewide listed)	ARC Grant ³ (only available in Anderson, Cherokee, Greenville, Oconee, Pickens and Spartanburg)	Total
Abbeville	\$10,000,000	\$17,849,554		27,849,554
Aiken	\$10,000,000	\$17,849,554		27,849,554
Allendale	\$10,000,000	\$17,849,554		27,849,554
Anderson	\$10,000,000	\$17,849,554	\$5,744,055	33,593,609
Bamberg	\$10,000,000	\$17,849,554		27,849,554
Barnwell	\$10,000,000	\$17,849,554		27,849,554
Beaufort	\$10,000,000	\$17,849,554		27,849,554
Berkeley	\$10,000,000	\$17,849,554		27,849,554
Calhoun	\$10,000,000	\$17,849,554		27,849,554
Charleston	\$10,000,000			10,000,000
Cherokee	\$10,000,000	\$17,849,554	\$5,744,055	33,593,609

Chester	\$10,000,000	\$17,849,554		27,849,554
Chesterfield	\$10,000,000	\$17,849,554		27,849,554
Clarendon	\$10,000,000	\$17,849,554		27,849,554
Colleton	\$10,000,000	\$17,849,554		27,849,554
Darlington	\$10,000,000	\$17,849,554		27,849,554
Dillon	\$10,000,000	\$17,849,554		27,849,554
Dorchester	\$10,000,000	\$17,849,554		27,849,554
Edgefield	\$10,000,000	\$17,849,554		27,849,554
Fairfield	\$10,000,000	\$17,849,554		27,849,554
Florence	\$10,000,000	\$17,849,554		27,849,554
Georgetown	\$10,000,000	\$17,849,554		27,849,554
Greenville	\$10,000,000		\$5,744,055	15,744,055
Greenwood	\$10,000,000	\$17,849,554		27,849,554
Hampton	\$10,000,000	\$17,849,554		27,849,554
Horry	\$10,000,000			10,000,000
Jasper	\$10,000,000	\$17,849,554		27,849,554
Kershaw	\$10,000,000	\$17,849,554		27,849,554
Lancaster	\$10,000,000	\$17,849,554		27,849,554
Laurens	\$10,000,000	\$17,849,554		27,849,554
Lee	\$10,000,000	\$17,849,554		27,849,554
Lexington	\$10,000,000			10,000,000
Marion	\$10,000,000	\$17,849,554		27,849,554
Marlboro	\$10,000,000	\$17,849,554		27,849,554
McCormick	\$10,000,000	\$17,849,554		27,849,554

Newberry	\$10,000,000	\$17,849,554		27,849,554
Oconee	\$10,000,000	\$17,849,554	\$5,744,055	33,593,609
Orangeburg	\$10,000,000	\$17,849,554		27,849,554
Pickens	\$10,000,000	\$17,849,554	\$5,744,055	33,593,609
Richland	\$10,000,000			10,000,000
Saluda	\$10,000,000	\$17,849,554		27,849,554
Spartanburg	\$10,000,000		\$5,744,055	15,744,055
Sumter	\$10,000,000	\$17,849,554		27,849,554
Union	\$10,000,000	\$17,849,554		27,849,554
Williamsburg	\$10,000,000	\$17,849,554		27,849,554
York	\$10,000,000	\$17,849,554		27,849,554

¹ Funding provided by the SC General Assembly during the FY2016-17 Appropriation Act. \$4,000,000 in recurring and \$6,000,000 in non-recurring appropriations.

² Grant funding provided by the US Department of Housing and Urban Development during the calendar year that was available for grants to other entities. An amount is shown only if the entire county was eligible for funding during the year.

³ Allocation available for grants from ARC during the calendar year.

2018

County	LocateSC Grant ¹	CBDG ²	ARC Grant ³ (only avail. in Anderson, Cherokee, Greenville, Oconee, Pickens, Spartanburg)	Total
Abbeville	\$21,000,000	\$19,527,479		40,527,479
Aiken	\$21,000,000	\$19,527,479		40,527,479
Allendale	\$21,000,000	\$19,527,479		40,527,479
Anderson	\$21,000,000	\$19,527,479	\$5,829,623	46,357,102
Bamberg	\$21,000,000	\$19,527,479		40,527,479
Barnwell	\$21,000,000	\$19,527,479		40,527,479

Beaufort	\$21,000,000	\$19,527,479		40,527,479
Berkeley	\$21,000,000	\$19,527,479		40,527,479
Calhoun	\$21,000,000	\$19,527,479		40,527,479
Charleston	\$21,000,000			21,000,000
Cherokee	\$21,000,000	\$19,527,479	\$5,829,623	46,357,102
Chester	\$21,000,000	\$19,527,479		40,527,479
Chesterfield	\$21,000,000	\$19,527,479		40,527,479
Clarendon	\$21,000,000	\$19,527,479		40,527,479
Colleton	\$21,000,000	\$19,527,479		40,527,479
Darlington	\$21,000,000	\$19,527,479		40,527,479
Dillon	\$21,000,000	\$19,527,479		40,527,479
Dorchester	\$21,000,000	\$19,527,479		40,527,479
Edgefield	\$21,000,000	\$19,527,479		40,527,479
Fairfield	\$21,000,000	\$19,527,479		40,527,479
Florence	\$21,000,000	\$19,527,479		40,527,479
Georgetown	\$21,000,000	\$19,527,479		40,527,479
Greenville	\$21,000,000		\$5,829,623	26,829,623
Greenwood	\$21,000,000	\$19,527,479		40,527,479
Hampton	\$21,000,000	\$19,527,479		40,527,479
Horry	\$21,000,000			21,000,000
Jasper	\$21,000,000	\$19,527,479		40,527,479
Kershaw	\$21,000,000	\$19,527,479		40,527,479
Lancaster	\$21,000,000	\$19,527,479		40,527,479
Laurens	\$21,000,000	\$19,527,479		40,527,479

Lee	\$21,000,000	\$19,527,479		40,527,479
Lexington	\$21,000,000			21,000,000
Marion	\$21,000,000	\$19,527,479		40,527,479
Marlboro	\$21,000,000	\$19,527,479		40,527,479
McCormick	\$21,000,000	\$19,527,479		40,527,479
Newberry	\$21,000,000	\$19,527,479		40,527,479
Oconee	\$21,000,000	\$19,527,479	\$5,829,623	46,357,102
Orangeburg	\$21,000,000	\$19,527,479		40,527,479
Pickens	\$21,000,000	\$19,527,479	\$5,829,623	46,357,102
Richland	\$21,000,000			21,000,000
Saluda	\$21,000,000	\$19,527,479		40,527,479
Spartanburg	\$21,000,000		\$5,829,623	26,829,623
Sumter	\$21,000,000	\$19,527,479		40,527,479
Union	\$21,000,000	\$19,527,479		40,527,479
Williamsburg	\$21,000,000	\$19,527,479		40,527,479
York	\$21,000,000	\$19,527,479		40,527,479

¹ Funding provided by the SC General Assembly during the FY2017-18 Appropriation Act. \$8,000,000 in recurring and \$13,000,000 in non-recurring appropriations.

² Grant funding provided by the US Department of Housing and Urban Development during the calendar year that was available for grants to other entities. An amount is shown only if the entire county was eligible for funding during the year.

³ Allocation available for grants from ARC during the calendar year.

2019

County	LocateSC Grant ¹	CBDG ²	ARC Grant ³ (only avail. in Anderson, Cherokee, Greenville, Oconee, Pickens, Spartanburg)	Rural Development ⁴	Total
Abbeville	\$19,000,000	\$19,424,508		\$2,500,000	40,924,508

Aiken	\$19,000,000	\$19,424,508			38,424,508
Allendale	\$19,000,000	\$19,424,508		\$2,500,000	40,924,508
Anderson	\$19,000,000	\$19,424,508	\$4,989,916		43,414,424
Bamberg	\$19,000,000	\$19,424,508		\$2,500,000	40,924,508
Barnwell	\$19,000,000	\$19,424,508		\$2,500,000	40,924,508
Beaufort	\$19,000,000	\$19,424,508			38,424,508
Berkeley	\$19,000,000	\$19,424,508			38,424,508
Calhoun	\$19,000,000	\$19,424,508		\$2,500,000	40,924,508
Charleston	\$19,000,000				19,000,000
Cherokee	\$19,000,000	\$19,424,508	\$4,989,916	\$2,500,000	45,914,424
Chester	\$19,000,000	\$19,424,508		\$2,500,000	40,924,508
Chesterfield	\$19,000,000	\$19,424,508		\$2,500,000	40,924,508
Clarendon	\$19,000,000	\$19,424,508		\$2,500,000	40,924,508
Colleton	\$19,000,000	\$19,424,508		\$2,500,000	40,924,508
Darlington	\$19,000,000	\$19,424,508		\$2,500,000	40,924,508
Dillon	\$19,000,000	\$19,424,508		\$2,500,000	40,924,508
Dorchester	\$19,000,000	\$19,424,508			38,424,508
Edgefield	\$19,000,000	\$19,424,508		\$2,500,000	40,924,508
Fairfield	\$19,000,000	\$19,424,508		\$2,500,000	40,924,508
Florence	\$19,000,000	\$19,424,508			38,424,508
Georgetown	\$19,000,000	\$19,424,508			38,424,508
Greenville	\$19,000,000		\$4,989,916		23,989,916
Greenwood	\$19,000,000	\$19,424,508			38,424,508
Hampton	\$19,000,000	\$19,424,508		\$2,500,000	40,924,508

Horry	\$19,000,000			\$2,500,000	21,500,000
Jasper	\$19,000,000	\$19,424,508		\$2,500,000	40,924,508
Kershaw	\$19,000,000	\$19,424,508			38,424,508
Lancaster	\$19,000,000	\$19,424,508			38,424,508
Laurens	\$19,000,000	\$19,424,508			38,424,508
Lee	\$19,000,000	\$19,424,508		\$2,500,000	40,924,508
Lexington	\$19,000,000				19,000,000
Marion	\$19,000,000	\$19,424,508		\$2,500,000	40,924,508
Marlboro	\$19,000,000	\$19,424,508		\$2,500,000	40,924,508
McCormick	\$19,000,000	\$19,424,508		\$2,500,000	40,924,508
Newberry	\$19,000,000	\$19,424,508			38,424,508
Oconee	\$19,000,000	\$19,424,508	\$4,989,916		43,414,424
Orangeburg	\$19,000,000	\$19,424,508		\$2,500,000	40,924,508
Pickens	\$19,000,000	\$19,424,508	\$4,989,916		43,414,424
Richland	\$19,000,000				19,000,000
Saluda	\$19,000,000	\$19,424,508			38,424,508
Spartanburg	\$19,000,000		\$4,989,916		23,989,916
Sumter	\$19,000,000	\$19,424,508			38,424,508
Union	\$19,000,000	\$19,424,508		\$2,500,000	40,924,508
Williamsburg	\$19,000,000	\$19,424,508		\$2,500,000	40,924,508
York	\$19,000,000	\$19,424,508			38,424,508

¹ Funding provided by the SC General Assembly during the FY2018-19 Appropriation Act. \$9,000,000 in recurring and \$10,000,000 in non-recurring appropriations.

² Grant funding provided by the US Department of Housing and Urban Development during the calendar year that was available for grants to other entities. An amount is shown only if the entire county was eligible for funding during the year.

³ Allocation available for grants from ARC during the calendar year.

2020

County	LocateSC Grant ¹	CBDG ²	ARC Grant ³ (only avail. in Anderson, Cherokee, Greenville, Oconee, Pickens and Spartanburg)	Rural Development ⁴	Total
Abbeville	13,000,000	20,478,139		\$2,500,000	35,978,139
Aiken	13,000,000	20,478,139			33,478,139
Allendale	13,000,000	20,478,139		\$2,500,000	35,978,139
Anderson	13,000,000	20,478,139	5,539,407		39,017,546
Bamberg	13,000,000	20,478,139		\$2,500,000	35,978,139
Barnwell	13,000,000	20,478,139		\$2,500,000	35,978,139
Beaufort	13,000,000	20,478,139			33,478,139
Berkeley	13,000,000	20,478,139			33,478,139
Calhoun	13,000,000	20,478,139		\$2,500,000	35,978,139
Charleston	13,000,000				13,000,000
Cherokee	13,000,000	20,478,139	5,539,407	\$2,500,000	41,517,546
Chester	13,000,000	20,478,139		\$2,500,000	35,978,139
Chesterfield	13,000,000	20,478,139		\$2,500,000	35,978,139
Clarendon	13,000,000	20,478,139		\$2,500,000	35,978,139
Colleton	13,000,000	20,478,139		\$2,500,000	35,978,139
Darlington	13,000,000	20,478,139		\$2,500,000	35,978,139
Dillon	13,000,000	20,478,139		\$2,500,000	35,978,139
Dorchester	13,000,000	20,478,139			33,478,139
Edgefield	13,000,000	20,478,139			33,478,139
Fairfield	13,000,000	20,478,139		\$2,500,000	35,978,139
Florence	13,000,000	20,478,139			33,478,139

Georgetown	13,000,000	20,478,139			33,478,139
Greenville	13,000,000		5,539,407		18,539,407
Greenwood	13,000,000	20,478,139			33,478,139
Hampton	13,000,000	20,478,139		\$2,500,000	35,978,139
Horry	13,000,000			\$2,500,000	15,500,000
Jasper	13,000,000	20,478,139		\$2,500,000	35,978,139
Kershaw	13,000,000	20,478,139			33,478,139
Lancaster	13,000,000	20,478,139			33,478,139
Laurens	13,000,000	20,478,139		\$2,500,000	35,978,139
Lee	13,000,000	20,478,139		\$2,500,000	35,978,139
Lexington	13,000,000				13,000,000
Marion	13,000,000	20,478,139		\$2,500,000	35,978,139
Marlboro	13,000,000	20,478,139		\$2,500,000	35,978,139
McCormick	13,000,000	20,478,139		\$2,500,000	35,978,139
Newberry	13,000,000	20,478,139			33,478,139
Oconee	13,000,000	20,478,139	5,539,407		39,017,546
Orangeburg	13,000,000	20,478,139		\$2,500,000	35,978,139
Pickens	13,000,000	20,478,139	5,539,407		39,017,546
Richland	13,000,000				13,000,000
Saluda	13,000,000	20,478,139			33,478,139
Spartanburg	13,000,000		5,539,407		18,539,407
Sumter	13,000,000	20,478,139			33,478,139
Union	13,000,000	20,478,139		\$2,500,000	35,978,139
Williamsburg	13,000,000	20,478,139		\$2,500,000	35,978,139

York	13,000,000	20,478,139			33,478,139
¹ Funding provided by the SC General Assembly during the FY2019-20 Appropriation Act. \$9,000,000 in recurring and \$4,000,000 in non-recurring appropriations.					
² Grant funding provided by the US Department of Housing and Urban Development during the calendar year that was available for grants to other entities. An amount is shown only if the entire county was eligible for funding during the year.					
³ Allocation available for grants from ARC during the calendar year.					
⁴ JBRC approved the plan of deployment of the rural strategy in January of 2021. The \$65,000,000 in funding provided by the SC General Assembly during the FY2019-20 Appropriation Act in accordance with Proviso 50.21 was not available until Fiscal Year 2020-21.					

35. For each type of funding/incentives that flows from or through the agency, outside those discussed in the agency’s “Setting the Table” presentation, please provide a chart with the following:
- Type of funding/incentive;
 - Requirements to qualify;
 - Process, step by step, for deciding which projects receive it; and
 - Who makes the final decision on which projects receive it (e.g., Department of Commerce, Coordinating Council, etc.)

Coordinating Council for Economic Development (CCED) Program

Incentive	a. Type of Funding/Incentive	b. Requirements to Qualify	c. Process for Deciding which Projects Receive	d. Party Responsible for Final Decision
Rural Infrastructure Grant	Grant	Used to provide financial assistance to local governments for infrastructure and other economic development activities. See §12-10-85(A).	<ul style="list-style-type: none"> Project managers work with the company to gather information about the project CCED staff evaluates needs of the project County submits application to CCED CCED staff provides summary of project info, application, cost/benefit analysis, and financial assessment to CCED CCED staff recommends a grant amount to the CCED 	CCED

Set Aside Grant	Grant	Used to provide financial assistance to local governments for economic development. See §12-28-2910.	Same as above	CCED
Closing Fund Grant	Grant	Used to provide financial assistance to local governments for economic development.	Same as above	CCED
Job Development Credit	Withholding Tax Refund	Must meet certain statutory requirements set forth in §12-10-50 and §12-10-80, as well as additional policy requirements	<ul style="list-style-type: none"> • Project managers work with company to gather information about the project • CCED staff evaluates the company's eligibility as well as the needs of the project • If offered, the company submits application to CCED • CCED staff provides summary of project info, application, cost/benefit analysis, and financial assessment to the Enterprise Committee of the CCED 	Enterprise Committee of CCED
Port Volume Increase Tax Credit	Income Tax Credit or Withholding Tax Refund	Must meet statutory requirements set forth in §12-6-3375	<ul style="list-style-type: none"> • Eligible projects submit application to CCED • Application is reviewed by CCED to ensure eligibility • Application is sent to SC Ports Authority (SCPA) for review and recommendation • Award is made based on recommendation from the SCPA 	Enterprise Committee of CCED
Agricultural Products Increase Tax Credits	Income Tax Credit or Withholding Tax Refund	Must meet statutory requirements set forth in §12-6-3378	<ul style="list-style-type: none"> • Eligible projects submit application to CCED • Application is reviewed by CCED to ensure eligibility 	CCED

			<ul style="list-style-type: none"> • Application is sent to SC Department of Agriculture (SCDA) for review • Award is made based on recommendation from the SCDA 	
Tourism Infrastructure Funds	Grant	Only available to counties or municipalities within 5 miles of the major tourism or recreation facility or area and must be used for additional infrastructure improvements. See §12-21-6540.	<ul style="list-style-type: none"> • Eligible projects submit application to CCED • Application is reviewed by CCED to ensure eligibility 	CCED

State Trade and Expansion Program (STEP) and South Carolina Opportunities for Promoting Exports (SCOPE)

a. Primary Customers

State Trade and Expansion Program (STEP) is awarded through the US Small Business Administration (SBA). **South Carolina Opportunities for Promoting Exports (SCOPE)**, funded by the state legislature, are funds that provide financial reimbursements to assist small- to medium-sized companies with export development. 100% of the funds directly benefit qualified companies in the state of South Carolina.

b. Requirements to Qualify

- Meet the SBA's definition of a small business. ([Size standards \(sba.gov\)](http://sba.gov)).
- Existing business for at least two years.
- Currently operating at a profit.
- Headquartered in SC or manufacturing in SC, with at least 51% US content and 25% SC content
- Currently have an export/market-ready product.
- Demonstrate an understanding of the costs and responsibilities associated with exporting and doing business with foreign purchasers.
- In good standing with the SC Department of Revenue and the Internal Revenue Service, and able to certify eligibility for federal grants.
- Companies that receive funding must be willing to report export sales data.

c. Application Process

- **Application Process:** Completed applications will be reviewed on a first come, first served basis. To be qualified, a client must meet the qualification requirements. Companies owned by socially and economically disadvantaged women, veterans or located in rural areas will be given priority. Eligible small- to medium-sized companies that have been identified to meet these requirements will go through a due diligence process, including an in-person visit to the company by SC Commerce trade staff.
- **Internal Controls:** Companies that become clients will receive an award e-mail indicating the terms and maximum amount of an award within 10 days. Upon completion of an export activity and submission of all applicable materials—including the S.C. Export Incentives Reimbursement

Form—companies can expect a refund via check within 45 days. To ensure compliance, an electronic and physical copy of each approved application, the applicant’s W-9, receipts for reimbursement and the state’s internal approval form for reimbursement are kept on file. Three (3) staff members review expenses before reimbursement. In an effort to increase the number of new clients to the program, SC Commerce will reserve 20% of its funding for first-time exporters.

- **Threshold Amounts:** The maximum dollar amount of financial assistance available to each approved company per fiscal year is \$18,450. The total number of export activities clients are eligible to participate in per grant year is two (2).
- SC Commerce recognizes that accurate and timely data collection is necessary to quantitatively measure progress of the program. To ensure quantitative measurements are reported from the client, the “S.C. Export Incentives Program Grant Reporting Form” contain critical elements necessary to meet these needs. The form includes the following: 1) export experience, 2) actual and projected sales, 3) the statement “I hereby certify that all information provided in this document, as well as any accompanying documents, are true and complete.”, 4) number of times results data will be collected, and 5) number of jobs created and/or retained.

d. Final Decision

SC Commerce trade staff make the final decision based on criteria set forth by SBA guidelines.

Innovation Grant Program

a. Primary Customers

The South Carolina innovation grant series, known as the Relentless Challenge, solicits proposals for projects that focus on fostering technology-based economic development, entrepreneurship and innovation in South Carolina.

b. Requirements to Qualify

Eligible organizations include: non-profits, state, county or municipal entities, state educational institutions or chambers of commerce. Up to \$500,000 in competitive grants may be awarded during 2020 funding cycle. Individual awards have no minimum and are up to \$75,000. A demonstrated dollar-for-dollar match is required. Matching funds is defined as non-state dollars: federal, local or private dollars or in-kind of up to 50% of the total match amount.

Projects must address at least one or more of these goals:

1. Catalyze High-Growth Entrepreneurship – accelerate the translation of innovation into the marketplace
2. Talent Development and Recruitment – generate solutions for long-term workforce demands for the technology and knowledge economy
3. Unlock Risk Capital – enable capital flow into high-growth startups

c. Application Process

Applicants are required to submit a six-page proposal outlining the program and associated details, as well as supporting documentation, such as letters of support, proof of non-profit status and curricula vitae. The Notice of Funding Opportunity, which is made available at least two months in advance of the opening of the 30-day application window, outlines what should be included in the proposal.

d. **Final Decision**

During each funding cycle, a review committee – consisting of active members of the South Carolina innovation community as well as members of the SC Commerce staff – is assembled. This review committee gathers further information from applicants and evaluates the submitted proposals for funding. The review committee makes recommendation to SC Commerce, and the Secretary of Commerce makes the final funding decision.

Marketable Sites

36. Does LocateSC.com include sites only funded by LocateSC grants, or all sites, regardless of how they were funded (e.g., funded by CDBG grants, ARC grants, etc.)?

LocateSC.com is available to any potential industrial site, industrial building or office building that is available for a business to occupy, regardless of how they were funded.

37. Please provide a list of ways in which the agency obtains information on sites available and an approximate percentage of the sites that come through each method.

- County/City/Regional Alliance Entry - 60%
- Developer/Real Estate Broker Entry – 35%
- Private Property Owner Entry -5%

38. During the subcommittee meeting, agency representatives testified they ran out or were running low on the number of sites available; however with the General Assembly’s help in funding, were able to grow the number.

a. What did the agency mean when it was running low on sites?

Sites are evaluated by potential prospects on a number of attributes: distance and quality of route to transportation points (highways, airports, ports, rail), distance and capacity of available utilities, size and shape of contiguous acreage, availability and price of land, availability of due diligence studies, improvements to the site and availability and proximity of a workforce. All of these components are evaluated by potential companies for risk. An “industrial site” has been studied and can answer these questions; a *marketable* industrial site has made efforts to eliminate the risk in each of the areas of concern. Additionally, the further along in the development process, the less risk to a company, therefore, the more marketable it is. No site is without risk, but the lower the risk, the more marketable it is. Marketable industrial sites are the sites that are eventually selected by companies, so success leads to depletion of these sites. In the years following the recession, the marketable sites inventory was depleted, so the need to invest in converting average land listings into a portfolio of industrial sites was necessary. This is not a one-time effort. Continued success leads to the need to continually replenish the supply.

b. What type/condition of sites was it low on? Please be specific.

See above. Every project SC Commerce recruits has different parameters and criteria. However, projects share a general aversion to risk. Therefore, SC Commerce aims to work with locals to develop a diverse portfolio of marketable industrial sites.

c. How many sites did the agency have when the General Assembly appropriated additional funding to assist with proactive site preparation and development in 2014?⁵

In 2014, 448 sites were listed in the LocateSC database. However, the database does not limit participation based on marketability. The database collects the information related to a number of data

⁵ See, PER response in History section

points and allows users to search. Prior to 2014, SC Commerce noticed that the state's ability to respond to prospect requests with applicable properties was becoming increasingly more limited and that in order to continue to be successful in its recruiting efforts, an investment would be necessary to increase the supply of marketable industrial properties.

39. Please provide a list of categories the agency utilizes to group companies.

While SC Commerce will engage with any quality company in any sector, the agency does target certain sectors that play to the state's strengths and where there has been previous successful recruitment. The current list of target industry sectors are below:

- Advanced materials (plastic, composites, metal and chemical)
- Aerospace
- Agribusiness (includes food processing, beverage, wood, and paper)
- Automotive
- Distribution and logistics
- Life sciences
- Office (HQ, call centers, IT support, and data centers)

The agency's Program Evaluation Report notes infrastructure as a challenge and the state's lack of a funding mechanism to enable economic infrastructure independent of specific projects.⁶ Please provide any agency recommendations regarding infrastructure funding as well as, if available, examples of states with infrastructure programs that have led to significant economic development and growth in both metropolitan and rural areas.

As the economy continues to diversify, SC Commerce has noted that potential modifications to the state's incentive infrastructure could help to meet evolving economic needs and keep South Carolina competitive with neighboring states. Specifically, South Carolina does not have a funding mechanism to address significant state infrastructure needs that are necessary for the state to continue and capitalize on its economic development success. Currently, the state addresses the need to modernize or construct new infrastructure based on population density or individual economic development projects. This approach leaves significant infrastructure gaps and inhibits the state from responding to business needs in a timely fashion. These types of large, strategic state infrastructure projects generally exceed SC Commerce's grant funding resources (except when a project qualifies for economic development bond funding). Accordingly, there is no meaningful way for SC Commerce to fund an infrastructure need without doing so on a project by project basis. SC Commerce is very receptive to work with the General Assembly to explore feasible solutions that would give South Carolina the ability to build strategic economic infrastructure independent of specific projects and supported by an appropriate funding mechanism which is paramount to the state's ability to remain competitive. During the 2019-2020 legislative session, the South Carolina House of Representatives passed H. 4332 to amend the General Obligation Economic Development Bond Act to address this need for strategic infrastructure independent of a specific economic development project.

40. Please list opportunities the agency is aware of through which a county may obtain funding to improve the marketability of the county.

There are varied funding opportunities utilized by counties to increase the marketability of their industrial sites, including:

- County/city contribution
- Economic development organization contribution
- Regional alliance contribution/grants

⁶ See PER response to question 10

- Utility companies (often through Utility Tax Credits)
- SC Power Team grants
- Loans (Santee Cooper and other bank loans)
- US Economic Development Administration (EDA) grants
- Rural Infrastructure Authority (RIA) grants

However, opportunity availability varies widely by location and project type. For instance, Santee Cooper loans and Power Team grants would only be available to properties served by the electric cooperatives; and, RIA grants are only available to infrastructure projects that meet that program's requirements.

Performance

41. Secretary Hitt testified in the March 4, 2021, subcommittee meeting that the agency's two main objectives are to build tax base and pay rolls. Which of the agency's metrics best gauge its performance in achieving these two objectives?
- Meet or exceed capital investment goal established by agency creates more taxable property for local communities and school districts.
 - Meet or exceed jobs recruited goal established by agency creates more job opportunities for the citizens of South Carolina to maximize their talents and abilities.
42. In the Program Evaluation Report, the agency mentions it has developed a rural strategy to identify and initiate comprehensive solutions to increase the property tax base and provide stability in rural communities.⁷
- Please explain the strategy, and identify where it has increased the property tax base and, by how much.
This strategy was approved in January of 2021 by the Joint Bond Review Committee. SC Commerce is currently working with the eligible counties to identify projects and opportunities that meet the objective of the strategy.
 - If the agency is just beginning to implement the strategy, please identify the agency's target metrics for increased property tax base.
 - Meet or exceed goal established by agency for jobs recruited in rural areas of South Carolina.
 - Meet or exceed percentage of jobs recruited in rural areas of South Carolina as compared to the percentage of labor pool residing in rural counties.


Future Presentations

Please address the following in future agency presentations (i.e., include information in presentation slides):

- Outline the process for clawing back state incentives when a company fails to meet terms in an agreement, including parties and costs.
- Detailed explanation of the impacts of investments by a company compared to job creation.
- Proposed information the agency is willing to publish annually about the status of investment and job creation included in agreements and verified to have resulted.

⁷ See PER response to question 10

APPENDIX A

	<p style="text-align: center;">State of South Carolina</p> <p style="text-align: center;">RECORD OF NEGOTIATIONS</p>		<p>Date : January 21, 2021 Procurement Officer : Clarissa Belton, CPPB, CPM Phone : 803-737-0416 E-Mail Address : cbelton@sccommerce.com Address : 1201 Main Street, Suite 1600 Columbia, SC 29201</p>
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CONTRACT DESCRIPTION: Professional Grant Administration Services for program implementation of funds received through the 'Coronavirus Aid, Relief, and Economic Security Act' (CARES Act) for Community Development Block Grant Program Coronavirus Response (CDBG-CV).

USING GOVERNMENTAL UNIT: South Carolina Department of Commerce

OFFEROR'S NAME AND ADDRESS: Guidehouse Inc.
1800 Tysons Boulevard, 7th Floor
McLean, VA 22102-4257

IMPORTANT NOTICE:

Respondent is required to sign this document and return **ONE (1)** copy to the procurement officer named above by the following date: January 22, 2021

1. The contract resulting from this solicitation is comprised of:
 - This Record of Negotiations, consisting of the Description of the Negotiated Changes set out below, and;
 - The State's Request for Qualifications, as amended by Amendment 1 and by this Record of Negotiations, and;
 - Guidehouse's response to the State's Request for Qualifications, as amended by this Record of Negotiations.

DESCRIPTION OF NEGOTIATED CHANGES:

I. The State's Request for Qualifications is amended to reflect:

A. 6.8 NO INDEMNITY OR DEFENSE: Any term or condition is void to the extent it requires the State to indemnify or defend, or pay attorney's fees to anyone in connection with this proposal or resultant Contract.

B. 6.28 INDEMNIFICATION - THIRD PARTY CLAIMS - GENERAL: Notwithstanding any limitation in this agreement, and to the fullest extent permitted by law, Contractor shall defend and hold harmless Indemnitees for and against any and all third-party suits or third-party claims of any character (and all related damages, settlement payments, attorneys' fees, costs, expenses, losses or liabilities) by a third party which are attributable to bodily injury, ~~sickness, disease~~ or death, or to injury to or destruction of tangible property arising out of or in connection with the goods or services acquired hereunder or caused in whole or in part by any act or omission of Contractor, its subcontractors, their employees, workmen, servants, agents, or anyone directly or indirectly employed by them or anyone for whose acts any of them may be liable, ~~regardless of whether or not caused in part by an Indemnitee, and whether or not such claims are made by a third party or an Indemnitee;~~ however, if an Indemnitee's negligent act or omission is subsequently determined to be the sole proximate cause of a suit or claim, the Indemnitee shall not be entitled to indemnification hereunder. Contractor shall be given timely written notice of any suit or claim. Contractor's obligations hereunder are in no way limited by any protection afforded under workers' compensation acts, disability benefits acts, or other employee benefit acts. This clause shall not negate, abridge, or reduce any other rights or obligations of indemnity which would otherwise exist. The obligations of this paragraph shall survive termination, cancelation, or expiration of the parties' agreement. This provision shall be construed fairly and reasonably, neither strongly for nor against either party, and without regard to any clause regarding insurance. As used in this clause, "Indemnitees" means the State of South Carolina, its instrumentalities, agencies, departments, boards, political subdivisions and all their respective

officers, agents and employees.

C. Limitation of Liability Provision: Except to the extent finally determined to be prohibited by law, Guidehouse's aggregate liability for all claims, losses, liabilities, or damages in connection with this agreement or its subject matter, whether as a result of breach of contract, tort (including negligence), or otherwise, regardless of the theory of liability asserted, is limited to no more than three (3) times the total amount of fees paid to Guidehouse for the particular Service giving rise to the liability under this agreement. In addition, Guidehouse will not be liable for any lost profits, consequential, indirect, punitive, exemplary, or special damages. Also, Guidehouse shall have no liability arising from or relating to any third-party hardware, software, information, or materials selected or supplied by the State.

II. Respondent's Fee Structure – Section 3.0 of Guidehouse's response to the State's Request for Qualifications is amended by adding:

A. Revised Fee Structure which include an outline of task, percentage of fee, task description, payment number, dollar value and anticipated delivery date. Document Dated: 1/21/2021 from Michael Tosh and accepted by SCDOC.

B. Guidehouse's total fees for work performed under this agreement shall not exceed \$1,320,773.

C. Services required of Guidehouse to perform Community Services, Public Facility Improvements, Administration and Technical Assistance.

- i. Guidehouse Administration Fee 3.3%
- ii. Guidehouse Technical Assistance Fee - 2.0%
- iii. Guidehouse Planning/Activity Delivery Cost (ADC) - 6.0%
- iv. Payments will be grouped at the time of billing

III. The effective dates for this Agreement are as follows:

Effective Date: January 22, 2021 - June 30, 2022


A. Guidehouse's response to the State's Request for Qualifications are effective upon the execution of this Record of Negotiations by by parties.

IV. Additional negotiated changes include:

A. Should the State find it necessary to increase the scope of work or should the contract be extended pursuant to Part 6, Section 6.34 of the Request for Qualifications, Guidehouse and the State shall mutually agree on a revised fee schedule for the additional services.

Except as provided herein, all terms and conditions of the Response (Offer) and the Solicitation remain unchanged and remain in full force and effect.

SIGNATURE OF PERSON AUTHORIZED TO SUBMIT BINDING OFFER TO ENTER A CONTRACT ON BEHALF OF OFFEROR:

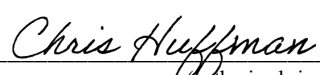
By: 
(authorized signature)

Mike Tosh
(printed name of person signing above)

Its: Partner
(title of person signing above)

Date: 1/22/2021

SIGNATURE OF PERSON AUTHORIZED TO APPROVE NEGOTIATED MODIFICATIONS ON BEHALF OF USING GOVERNMENTAL UNIT:

By: 
(authorized signature)

(printed name of person signing above)

Its:
(title of person signing above)

Date: 1/22/2021

CONTRACT DOCUMENT ORDER OF PRECEDENCE:

- (a) Any contract resulting from this solicitation shall consist of the following documents:
- (1) a Record of Negotiations, if any, executed by you and the Procurement Officer,
 - (2) the solicitation, as amended,
 - (3) documentation of clarifications or discussions of an offer, if applicable,
 - (4) your offer,
 - (5) any statement reflecting the State's final acceptance (a/k/a "award"), and
 - (6) purchase orders.

These documents shall be read to be consistent and complementary. Any conflict among these documents shall be resolved by giving priority to these documents in the order listed above.

(b) The terms and conditions of documents (1) through (5) above shall apply notwithstanding any additional or different terms and conditions in any other document, including without limitation, (i) a purchase order or other instrument submitted by the State, (ii) any invoice or other document submitted by Contractor, or (iii) any privacy policy, terms of use, or end user agreement. Except as otherwise allowed herein, the terms and conditions of all such documents shall be void and of no effect.

(c) No contract, license, or other agreement containing contractual terms and conditions will be signed by the State. Any document signed or otherwise agreed to by persons other than the Procurement Officer shall be void and of no effect.

Guidehouse Proposed Payment Schedule
1/19/2021

Community Services		8,584,833
Public Facility Improvements		3,000,000
Administration	5%	622,840
Technical Assistance	2%	249,134
Total		12,456,807
Responsible Funds		11,584,833
5.0% GH Admin Fee		579,241.65
2.0% GH TA Fee		249,136.14
Subtotal		828,377.79
6.0% GH Planning / ADC		695,089.98
Total GH Fee		1,523,467.77
0.0% State Fee		-

Task	Percent of Fee	Task Description	Payment #	Dollar Value	Anticipated Delivery Date	Proposal Price (all)	
Project Initiation - 5%	5%		Payment #1	\$ 41,418.89	January 29, 2021	\$ 1,523,468	
Project kickoff and finalization of project plan		Conduct workshop with SC DoC and finalize eligibility criteria					
		Assess capabilities and internal resources and systems from SC				\$ 1,720,108 Services	
		Finalize strategy, confirm objectives and priorities of the state and develop project plan				\$ 50,000 System	
		Provide project and reporting schedule				\$ 172,010 Expenses	
Program Design - 10%	10%		Payment #2	\$ 82,837.78	February 19, 2021	\$ 1,942,118	
Overall program design, process and procedures development, Recipient training, technology needs and assessment		Document policies and procedures for application, application review, disbursements, and closeout					
		Develop high-level process overview diagrams for associate program activities					
		Develop progress reporting templates					
		Develop application forms and confirm required documentation					
		Establish appeal procedure regarding any disputes					
		Create public facing kick-off deck, review internally, and deliver introductory webinar for potential applicants					
Platform Implementation - 10%	10%		Payment #3	\$ 82,837.78	February 26, 2021		
Overall program software user testing and implementation, CDBG-CV training for State and Subrecipients		Deploy new DoC Salesforce production and sandbox tenants, procure and distribute required licenses					
		Workshop and capture technical requirements/modifications required for CDBG-CV Pt 1					
		Modify/convert required forms for technical solution					
		Modify Salesforce Platform ensuring receipt and retention in grant files					
		Modify Salesforce Platform for required CDBG-CV reporting					
		Provide user guides and training documentation (PPT)					
		Conduct Technical Assistance Webinars (Office Hours)					
Program Execution / Funding Obligation - 50%	50%			\$ 414,188.90	TBD- will determine with State during Project Initiation		
Collection, review, and processing of program applications	5%	Approval of 25% of the completed application packets	Payment #4	\$ 41,418.89			
	5%	Approval of 50% of the completed application packets	Payment #5	\$ 41,418.89			
	5%	Approval of 75% of the completed application packets	Payment #6	\$ 41,418.89			
	5%	Approval of remaining completed application packets	Payment #7	\$ 41,418.89			
	5%	Submission of report outlining gaps in any remaining applications	Payment #8	\$ 41,418.89			
	5%	Execution of 25% Awards	Payment #9	\$ 41,418.89	TBD (Anticipate that payments to applicants may begin as soon as April 30th)		
	5%	Execution of 50% Awards	Payment #10	\$ 41,418.89			
	5%	Execution of 75% Awards	Payment #11	\$ 41,418.89			
	5%	Execution of remaining eligible awards	Payment #12	\$ 41,418.89			
	5%	Submission of report outlining gaps preventing execution of anticipated award	Payment #13	\$ 41,418.89			
	Funding Disbursement - 10%	10%			\$ 82,837.78		
	Collect, review, process program disbursements		Confirm processes and requirements from SC to make payments to applicants				
		5%	Disburse eligible funds for 50% of approved applications/executed awards	Payment #14	\$ 41,418.89		
5%		Disburse eligible funds for remaining approved applications/executed awards	Payment #15	\$ 41,418.89			
Reporting & Monitoring - 10%	10%			\$ 82,837.78			
	2%	Submission and Acceptance of Quarterly Report	Payment #16	\$ 16,567.56	April 30, 2021		

Preparation and completion of on-going federal / state reports	2%	Submission and Acceptance of Quarterly Report	Payment #17	\$	16,567.56	July 31, 2021
	2%	Submission and Acceptance of Quarterly Report	Payment #18	\$	16,567.56	October 31, 2021
	2%	Submission and Acceptance of Quarterly Report	Payment #19	\$	16,567.56	January 31, 2022
	2%	Submission and Acceptance of Quarterly Report*	Payment #20	\$	16,567.56	April 30, 2022
		<i>*If necessary</i>				
Closeout - 5%	5%		Payment #21	\$	41,418.89	March 30, 2022
Document retention, reporting, and issue resolution		Provide for consolidated financial reporting				
		Provide for fraud, waste, and abuse identification, reporting and remediation				
Ongoing technical assistance - 0.5% per month	6.0%			\$	695,089.98	
Subrecipient technical assistance: call center, application completion, problem resolution, compliance support	0.5%	Monthly Payment 1	Payment #22	\$	57,924.17	February 15, 2021
	0.5%	Monthly Payment 2	Payment #23	\$	57,924.17	March 15, 2021
	0.5%	Monthly Payment 3	Payment #24	\$	57,924.17	April 15, 2021
	0.5%	Monthly Payment 4	Payment #25	\$	57,924.17	May 15, 2021
	0.5%	Monthly Payment 5	Payment #26	\$	57,924.17	June 15, 2021
	0.5%	Monthly Payment 6	Payment #27	\$	57,924.17	July 15, 2021
	0.5%	Monthly Payment 7	Payment #28	\$	57,924.17	August 15, 2021
	0.5%	Monthly Payment 8	Payment #29	\$	57,924.17	September 15, 2021
	0.5%	Monthly Payment 9	Payment #30	\$	57,924.17	October 15, 2021
	0.5%	Monthly Payment 10	Payment #31	\$	57,924.17	November 15, 2021
	0.5%	Monthly Payment 11	Payment #32	\$	57,924.17	December 15, 2021
	0.5%	Monthly Payment 12	Payment #33	\$	57,924.17	January 15, 2022
			Total Amount	\$	1,523,467.77	


Guidehouse revised Payment Schedule
1/20/2021

Community Services		8,584,833
Public Facility Improvements		3,000,000
Administration	5%	622,840
Technical Assistance	2%	249,134
Total		12,456,807
Responsible Funds		
3.3% GH Admin Fee		376,507.07
2.0% GH TA Fee		249,136.14
Subtotal		625,643.21
6.0% GH Planning / ADC		695,089.98
Total GH Fee		1,320,733.19
1.8% State Fee		217,994.12

Task	Percent of Fee	Task Description	Payment #	Dollar Value	Anticipated Delivery Date	Proposal Price (all)
Project Initiation - 5%	5%		Payment #1	\$ 31,282.16	January 29, 2021	\$ 1,320,733
Project kickoff and finalization of project plan		Conduct workshop with SC DoC and finalize eligibility criteria				
		Assess capabilities and internal resources and systems from SC				\$ 1,720,108 Services
		Finalize strategy, confirm objectives and priorities of the state and develop project plan				\$ 50,000 System
		Provide project and reporting schedule				\$ 172,010 Expenses
Program Design - 10%	10%		Payment #2	\$ 62,564.32	February 19, 2021	\$ 1,942,118
Overall program design, process and procedures development, Recipient training, technology needs and assessment		Document policies and procedures for application, application review, disbursements, and closeout				
		Develop high-level process overview diagrams for associate program activities				
		Develop progress reporting templates				
		Develop application forms and confirm required documentation				
		Establish appeal procedure regarding any disputes				
		Create public facing kick-off deck, review internally, and deliver introductory webinar for potential applicants				
Platform Implementation - 10%	10%		Payment #3	\$ 62,564.32	February 26, 2021	
Overall program software user testing and implementation, CDBG-CV training for State and Subrecipients		Prepare current SC Admin Salesforce to support DoC CDBG-CV Pt 1 requirements				
		Workshop and capture technical requirements/modifications required for CDBG-CV Pt 1				
		Modify/convert required forms for technical solution				
		Modify Salesforce Platform ensuring receipt and retention in grant files				
		Modify Salesforce Platform for required CDBG-CV reporting				
		Provide user guides and training documentation (PPT)				
	Conduct Technical Assistance Webinars (Office Hours)					
Program Execution / Funding Obligation - 50%	50%			\$ 312,821.61	TBD- will determine with State during Project Initiation	
Collection, review, and processing of program applications	5%	Approval of 25% of the completed application packets	Payment #4	\$ 31,282.16		
	5%	Approval of 50% of the completed application packets	Payment #5	\$ 31,282.16		
	5%	Approval of 75% of the completed application packets	Payment #6	\$ 31,282.16		
	5%	Approval of remaining completed application packets	Payment #7	\$ 31,282.16		
	5%	Submission of report outlining gaps in any remaining applications	Payment #8	\$ 31,282.16		
	5%	Execution of 25% Awards	Payment #9	\$ 31,282.16		TBD (Anticipate that payments to applicants may begin as soon as April 30th)
	5%	Execution of 50% Awards	Payment #10	\$ 31,282.16		
	5%	Execution of 75% Awards	Payment #11	\$ 31,282.16		
	5%	Execution of remaining eligible awards	Payment #12	\$ 31,282.16		
	5%	Submission of report outlining gaps preventing execution of anticipated award	Payment #13	\$ 31,282.16		
	Funding Disbursement - 10%	10%			\$ 62,564.32	
Collect, review, process program disbursements		Confirm processes and requirements from SC to make payments to applicants				
	5%	Disburse eligible funds for 50% of approved applications/executed awards	Payment #14	\$ 31,282.16		
	5%	Disburse eligible funds for remaining approved applications/executed awards	Payment #15	\$ 31,282.16		
Reporting & Monitoring - 10%	10%			\$ 62,564.32		

Preparation and completion of on-going federal / state reports	2%	Submission and Acceptance of Quarterly Report	Payment #16	\$	12,512.86	April 30, 2021
	2%	Submission and Acceptance of Quarterly Report	Payment #17	\$	12,512.86	July 31, 2021
	2%	Submission and Acceptance of Quarterly Report	Payment #18	\$	12,512.86	October 31, 2021
	2%	Submission and Acceptance of Quarterly Report	Payment #19	\$	12,512.86	January 31, 2022
	2%	Submission and Acceptance of Quarterly Report*	Payment #20	\$	12,512.86	April 30, 2022
		<i>*If necessary</i>				
Closeout - 5%	5%		Payment #21	\$	31,282.16	March 30, 2022
Document retention, reporting, and issue resolution		Provide for consolidated financial reporting				
		Provide for fraud, waste, and abuse identification, reporting and remediation				
Ongoing technical assistance - 0.5% per month	6.0%			\$	695,089.98	
Subrecipient technical assistance: call center, application completion, problem resolution, compliance support	0.5%	Monthly Payment 1	Payment #22	\$	57,924.17	February 15, 2021
	0.5%	Monthly Payment 2	Payment #23	\$	57,924.17	March 15, 2021
	0.5%	Monthly Payment 3	Payment #24	\$	57,924.17	April 15, 2021
	0.5%	Monthly Payment 4	Payment #25	\$	57,924.17	May 15, 2021
	0.5%	Monthly Payment 5	Payment #26	\$	57,924.17	June 15, 2021
	0.5%	Monthly Payment 6	Payment #27	\$	57,924.17	July 15, 2021
	0.5%	Monthly Payment 7	Payment #28	\$	57,924.17	August 15, 2021
	0.5%	Monthly Payment 8	Payment #29	\$	57,924.17	September 15, 2021
	0.5%	Monthly Payment 9	Payment #30	\$	57,924.17	October 15, 2021
	0.5%	Monthly Payment 10	Payment #31	\$	57,924.17	November 15, 2021
	0.5%	Monthly Payment 11	Payment #32	\$	57,924.17	December 15, 2021
	0.5%	Monthly Payment 12	Payment #33	\$	57,924.17	January 15, 2022
			Total Amount	\$	1,320,733.19	

**State of South Carolina - Request for Qualifications
12/01/2020**

	<p align="center">State of South Carolina</p> <p align="center">Request for Qualifications</p>	<p>Date Issued: 12/01/2020 Procurement Officer: Clarissa Belton, CPPB, CPM Phone: 803.737.0416 E-Mail Address: cbelton@sccommerce.com</p>	
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DESCRIPTION: Professional Grant Administration Services for program implementation of funds received through the 'Coronavirus Aid, Relief, and Economic Security Act' (CARES Act) for Community Development Block Grant Program Coronavirus Response (CDBG-CV).

SUBMIT QUALIFICATIONS BY (Date/Time): **12/22/2020 11:00 AM**

SUBMIT YOUR QUALIFICATIONS BY E-MAIL OR TO EITHER OF THE FOLLOWING ADDRESSES:

MAILING ADDRESS: South Carolina Department of Commerce 1201 Main Street, Suite 1600 Columbia SC 29201 Attention: Clarissa Belton (cbelton@sccommerce.com)	PHYSICAL ADDRESS: South Carolina Department of Commerce 1201 Main Street, Suite 1600 Columbia SC 29201 Attention: Clarissa Belton, CPPB, CPM
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COMPANY NAME (Full legal name of business)	
AUTHORIZED SIGNATURE	
TITLE (Business title of person signing above)	
PRINTED NAME (Printed name of person signing above)	DATE
MAILING ADDRESS	
CITY	STATE/ZIP CODE
TELEPHONE #	E-MAIL ADDRESS

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REQUEST FOR QUALIFICATIONS

PROFESSIONAL GRANT ADMINISTRATION SERVICES FOR PROGRAM IMPLEMENTATION OF FUNDS RECEIVED THROUGH THE 'CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT' (CARES ACT) FOR COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM CORONAVIRUS RESPONSE (CDBG-CV).

SCHEDULE OF KEY DATES

All dates are subject to change

Distribution of the Request for Qualifications	12/01/2020
Deadline for Submission of Questions (11:00 a.m.)	12/07/2020
State's Written Responses to Questions	12/08/2020
Deadline for Submittal of Qualifications (11:00 a.m.)	12/22/2020
Responses Evaluated / Short-Listing for Interviews	12/29/2020
Interviews	01/06/2021
Notification of Award	01/07/2021

PART 1

GENERAL INSTRUCTIONS

1.1 AMENDMENTS TO THE REQUEST FOR QUALIFICATIONS: (a) The Request for Qualifications may be amended at any time prior to opening. All amendments to this Request for Qualifications shall be in writing from the State. The State shall not be legally bound by any amendment which is not in writing. Any amendment to the Request for Qualifications shall be e-mailed to all prospective respondents. (b) Respondents shall acknowledge receipt of any amendment to this Request for Qualifications (1) by signing and returning the amendment, (2) by acknowledging receipt in the respondents' response, or (3) by submitting a response that indicates in some way that the respondent received the amendment.

1.2 QUESTIONS FROM PROSPECTIVE RESPONDENTS: (a) Any prospective respondent desiring an explanation or interpretation of the Request for Qualifications must request it in writing. Oral explanations or instructions will not be binding. Any information given a prospective respondent concerning the Request for Qualifications will be furnished promptly to all other prospective respondents as an Amendment to the Request for Qualifications, if that information is necessary for submitting a response or if the lack of it would be prejudicial to other prospective respondents. We will not identify you in our response to your question. (b) The State seeks to permit maximum practicable competition. Prospective respondents are urged to advise the Procurement Officer as soon as possible regarding any aspect of this procurement, including any aspect of the Request for Qualifications that unnecessarily or inappropriately limits full and open competition. Prospective respondents should advise the State of any problems they perceive as a result of reviewing this Request for Qualifications document.

1.3 SUBMISSION OF QUESTIONS: Any questions, comments, requests for information or clarifications regarding the Request for Qualifications must be submitted in writing and received no later than **11:00 AM local time, December 07, 2020**. After this date, no further questions, comments, request for information or clarifications regarding the Request for Qualifications will be addressed.

Any written questions, requests for information or request for clarifications received will be responded to in the form of a written amendment to the Request for Qualifications and e-mailed to all prospective respondents.

All questions, comments, requests for information or clarifications should, to the highest degree possible, cite the specific Request for Qualifications section and paragraph number(s) to which the question refers. All questions, comments, requests for information or clarifications regarding this Request for Qualifications should include the identity of the sender, firm name, mailing address, telephone number, and e-mail address. Email is the method for submitting questions with "Questions: Request for Qualifications Professional Consulting Services" as the subject of the email. Submit questions in an easily copied format such as MS Word.

E-MAIL ADDRESS:

cbelton@sccommerce.com

1.4 REJECTION/CANCELLATION: The State reserves the right to accept or reject any and all responses and/or discontinue the selection process at any time prior to contract execution.

1.5 SUBMITTING YOUR RESPONSE: (a) All copies of your response, and any other documents required to be submitted with the response should be enclosed in a sealed, opaque envelope or package – (1) Addressed to the office specified on the Cover Page; and (2) Showing the time and date specified for opening, the Request for Qualifications number, and the name and address of the respondent. (b) Respondents using commercial carrier services shall ensure that the response is addressed and marked on the outermost envelope or wrapper as prescribed in paragraphs (a)(1) and (2) when delivered to the office specified on the Cover Page. (c) E-mail responses will be considered.

1.6 SUBMITTING CONFIDENTIAL INFORMATION: For every document respondent submits in response to or with regard to this Request for Qualifications, respondent must separately mark with the word "CONFIDENTIAL" every page, or portion thereof, that respondent contends contains information that is exempt from public disclosure because it is either (a) a trade secret as defined in Section 30-4-40(a)(1), or (b) privileged and confidential, as that phrase is used in Section 11-35-410. For every document respondent submits in response to or with regard to this Request for Qualifications, respondent must separately mark with the words "TRADE SECRET" every page, or portion thereof, that respondent contends contains a trade secret as that term is defined by Section 39-8-20 of the Trade Secrets Act. For every document respondents submit in response to or with regard to this Request for Qualifications, respondents must separately mark with the word "PROTECTED" every page, or portion thereof, that respondent contends is protected by Section 11-35-1810. All markings must be conspicuous; use color, bold, underlining, or some other method in order to conspicuously distinguish the mark from the other text. Do not mark your entire response as confidential, trade secret, or protected. In determining whether to release documents, the State will detrimentally rely on respondents' marking of documents, as required by these instructions, as being either "CONFIDENTIAL" or "TRADE SECRET" or "PROTECTED". By submitting a response, respondent agrees to defend, indemnify and hold harmless the State of South Carolina, its agencies, officers and employees, from every claim, demand, loss, expense, cost, damage or injury, including attorney's fees, arising out of or resulting from withholding information by the State of South Carolina or any of

its agencies, that respondent marked as "CONFIDENTIAL" or "TRADE SECRET" or "PROTECTED". (All references to S.C. Code of Laws.)

1.7 DEADLINE FOR SUBMISSION OF YOUR RESPONSE: The State will receive responses until 11:00 a.m. local time on the opening date shown. It is the respondents' sole responsibility to ensure the State receives their response. Respondents mailing responses should allow a sufficient mail delivery period to ensure timely receipt of their response by the State. Any response received after the date/time set for submittal shall be rejected.

1.8 RESPONSE AS OFFER TO CONTRACT: By submitting your response, you are offering to enter into a contract with the State. Any award issued will be issued to, and the contract will be formed with, the entity identified as the respondent on Page 1. A response may be submitted by only one legal entity; "joint bids" are not allowed.

1.9 CERTIFICATION REGARDING DEBARMENT AND OTHER RESPONSIBILITY MATTERS:

(a)(1) By submitting a response, respondent certifies, to the best of its knowledge and belief, that-

(i) Respondent and/or any of its Principals-

(A) Are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any state or federal agency;

(B) Have not, within a three-year period preceding this response, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property;

(C) Are not presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in paragraph (a)(1)(i)(B) of this provision.

(ii) Respondent has not, within a three-year period preceding this response, had one or more contracts terminated for default by any public (Federal, state, or local) entity.

(2) "Principals," for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

(b) Respondent shall provide immediate written notice to the Procurement Officer, or his designee, if, at any time prior to contract award, respondent learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

(c) If respondent is unable to certify the representations stated in paragraphs (a)(1), respondent must submit a written explanation regarding its inability to make the certification. The certification will be considered in connection with a review of the respondent's responsibility. Failure of the respondent to furnish additional information as requested by the Procurement Officer, or his designee, may render the respondent non-responsible.

(d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of a respondent is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

(e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the respondent knowingly or in bad faith rendered an

erroneous certification, in addition to other remedies available to the State, the Procurement Officer, or his designee, may terminate the contract resulting from this solicitation for default.

1.10 DRUG FREE WORK PLACE CERTIFICATION: By submitting a response, Contractor certifies that, if awarded a contract, Contractor will comply with all applicable provisions of The Drug-free Workplace Act, Title 44, Chapter 107 of the South Carolina Code of Laws, as amended.

1.11 ETHICS CERTIFICATE: By submitting a response, the respondent certifies that the respondent has and will comply with, and has not, and will not, induce a person to violate Title 8, Chapter 13 of the South Carolina Code of Laws, as amended (ethics act). The following statutes require special attention: Section 8-13-700, regarding use of official position for financial gain; Section 8-13-705, regarding gifts to influence action of public official; Section 8-13-720, regarding offering money for advice or assistance of public official; Sections 8-13-755 and 8-13-760, regarding restrictions on employment of a former public official; Section 8-13-775, prohibiting public official with economic interests from acting on contracts; Section 8-13-790, regarding recovery of kickbacks; Section 8-13-1150, regarding statements to be filed by consultants; and Section 8-13-1342, regarding restrictions on contributions by Contractor to candidate who participated in awarding of contract. The State may rescind any contract and recover all amounts expended as a result of any action taken in violation of this provision. If Contractor participates, directly or indirectly, in the evaluation or award of public contracts, including without limitation, change orders or task orders regarding a public contract, Contractor shall, if required by law to file such a statement, provide the statement required by Section 8-13-1150 to the Procurement Officer at the same time the law requires the statement to be filed.

1.12 OPEN TRADE REPRESENTATION: By submitting a response, respondent represents that respondent is not currently engaged in the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade, as defined in SC Code Section 11-35-5300.

1.13 SIGNING YOUR RESPONSE: Every response must be signed by an individual with actual authority to bind the respondent. (a) If the respondent is an individual, the response must be signed by that individual. If the respondent is an individual doing business as a firm, the response must be submitted in the firm name, signed by the individual, and state that the individual is doing business as a firm. (b) If the respondent is a partnership, the response must be submitted in the partnership name, followed by the words "by its Partner," and signed by a general partner. (c) If the respondent is a corporation, the response must be submitted in the corporate name, followed by the signature and title of the person authorized to sign. (d) A response may be submitted by a joint venture involving any combination of individuals, partnerships, or corporations. If the respondent is a joint venture, the response must be submitted in the name of the joint venture and signed by every participant in the joint venture in the manner prescribed in paragraphs (a) through (c) above for each type of participant. (e) If a response is signed by an agent, other than as stated in subparagraphs (a) through (d) above, the response must state that it has been signed by an Agent. Upon request, respondent must provide proof of the agent's authorization to bind the principal.

1.14 VENDOR REGISTRATION: To obtain a state vendor number, visit www.procurement.sc.gov and select New Vendor Registration. (To determine if your business is already registered, go to "Vendor Search"). Upon registration, you will be assigned a state vendor number. Vendors must keep their vendor information current. If you are already registered, you can update your information by selecting Change Vendor Registration. (Please note that vendor registration does not substitute for any obligation to register with the S.C. Secretary of State or S.C. Department of Revenue. You can register with the agencies at <http://www.scbos.com/default.htm>.)

PART 2

INTRODUCTION

The South Carolina Department of Commerce (also referred to as the “SCDOC”) desires to procure professional grant administration services for program implementation and oversight of funds received through the 'Coronavirus Aid, Relief, and Economic Security Act' (CARES Act) for Community Development Block Grant Program Coronavirus Response (CDBG-CV) and any other available source of federal COVID-19 relief funds. It is intended that this procurement will result in a contract for professional grant program administration services that can assist the agency in implementing its action plan for the CDBG-CV1 Public Services & Facilities Program. The program administration services require understanding the CARES Act, CDBG-CV Federal Register Notice, HUD waivers for the CARES Act and all other requirements and funding streams related to the CARES Act CDBG-CV Funds, and will include, but are not limited to creating a framework for the development of processes and controls for the administration of: final applications, including final fundability review; award and grant startup; oversight of funded project implementation to ensure compliance with program requirements as identified in the CDBG Implementation Manual, as updated for CDBG-CV1; financial administration including compliance with pertinent HUD caps on administrative costs and non-LMI expenditure of funds, approval of requests for disbursement of funds, coordination with Commerce regarding IDIS drawdown, and related financial tracking and reporting; environmental reviews per CDBG guidelines; progress tracking and reporting; data collection, data analysis, and all required CDBG-CV, CARES Act and other federal reporting; liaison with Commerce regarding the CDBG CAPER performance report; final documentation of benefit, national objective compliance, and other close-out requirements; creating a system of monitoring for programmatic and financial compliance with all pertinent regulations and requirements; and duplication of benefits verification and detection of fraud, waste, and abuse.

Overview

CDBG-CV1 Public Services & Facilities Program

Background

On March 27, 2020, the president signed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The \$2 trillion aid package provides financial aid to families and businesses impacted by the COVID-19 coronavirus pandemic. Funding was provided to multiple Federal Agencies and programs, including HUD and three of the Consolidated Plan Programs: CDBG, ESG and HOPWA.

The CARES Act made \$5 billion in Community Development Block Grant Coronavirus (CDBG-CV) funds available to prevent, prepare for, and respond to the Coronavirus. HUD allocated these funds in three rounds, known as CDBG-CV1, CDBG-CV2 and CDBG-CV3. The purpose of this RFQ is to provide professional services related to implementation and oversight of CDBG-CV1.

State CDBG-CV Amendment to the 2020 Annual Action Plan

Under the three rounds of CDBG-CV CARES Act funding, South Carolina’s State CDBG program has been allocated \$39,499,819, as follows:

- CDBG-CV1 - \$12,456,807 in the first tranche of CDBG-CV funds

- CDBG-CV2 - \$14,859,540 in the second tranche
- CDBG-CV3 - \$12,183,522 in the third tranche

The Federal Register Notice for CDBG-CV provided multiple waivers and flexibilities, including the ability of states to carry out activities directly, provided that the amount of the first-round allocation, or \$12,456,807, be reserved or set-aside for eligible local governments in non-Entitlement areas of the state. The second-round allocation may be used in both Entitlement and non-Entitlement areas of the state and may be distributed by the State directly. The third-round methodology was based on needs assessment indicating the highest priority need nationwide was for emergency rental assistance. The State's Plan for CDBG-CV reflects HUD's priorities for CDBG CARES Act funding.

CARES Act provided other flexibilities, including suspension of the public services cap during the emergency and allowing States and local governments to reimburse costs of eligible activities incurred for pandemic response regardless of the date. The HUD Federal Register Notice for CDBG-CV added additional flexibilities, including 1) allowing the state to use up to 5% of the CDBG-CV allocation for general program administration and up to 2% for technical assistance, 2) allowing states to carry out activities directly, and 3) providing alternative requirements for meeting the LMI jobs national objective.

While many of the same rules that apply to regular CDBG program funds also apply to CDBG-CV funds, the funds must be kept separate. To distinguish the two programs, the CARES Act funding is referred to as CDBG-CV and is considered a supplemental appropriation. CDBG-CV funds will have separate reporting requirements and expenditures will be tracked separately from the regular CDBG program. Also, a key consideration is that activities must not result in duplication of assistance, where cumulative assistance from all sources exceeds the amount of the need, and projects must be needed to prepare for, respond to and prevent coronavirus.

D C

In order to access the CARES Act funding for CDBG, the State prepared a third substantial amendment to the 2020 Annual Action Plan for the CARES Act for CDBG-CV and a CDBG-CV Program Description. The CDBG-CV Program Description describes the HUD-approved Plan for which the contractor will provide professional administrative services to implement and oversee the Plan. The substantially amended 2020 Action Plan and CDBG-CV Program Description can be found in **Attachment A and can also be downloaded from www.cdbgSC.com**.

The draft substantial amendment was also made available for public comment and review from November 12, 2020 to November 18, 2020.

CDBG-CV1 Public Services Program

To respond to the COVID 19 pandemic and address the increase in needs for public services in non-Entitlement regions of the state, \$8,584,831 in CARES Act CDBG-CV1 funding is being made available to localities for a **new or quantifiably increased** public services that will primarily benefit low and moderate income (LMI) individuals and are needed to prepare for, respond to and prevent the coronavirus.

Eligible activities may include a wide variety of activities, including but not limited to personal protective equipment (PPE), COVID-19 testing and contact tracking, food pantries, food distribution and delivery for elderly or other primarily LMI residents, child care required for LMI residents to maintain employment, after school education, senior services, etc.

All eligible public services that can be related to the coronavirus and are needed to prepare for, respond to or prevent coronavirus will be considered. All projects must meet a national objective and propose eligible activities. Other elements of the Method of Distribution contained in the substantially amended 2020 Action Plan, including

eligible applicants, method of distributing funds to recipients (application deadlines and selection), eligible activities, grants maximums and threshold requirements, etc. are all described in the CDBG-CV Program Description.

CDBG-CV1 Public Facilities Program

To respond to the COVID 19 pandemic and address the significant need to adapt, retrofit or rehabilitate existing schools and other publicly owned facilities to provide services in a manner that complies with public health guidelines, \$3 million (\$3,000,000) in CARES Act CDBG-CV1 funding is being made available to non-Entitlement counties in the state. Projects must involve critically needed public improvements or improvements to public facilities, such as schools, that are needed to respond to, prepare for or prevent coronavirus. The public improvements or facilities must benefit all residents of the service area and must serve primarily low and moderate income (LMI) individuals.

All eligible public facilities improvements and other public improvements that can be directly related to the coronavirus and are needed to prepare for, respond to or prevent coronavirus will be considered. But priority will be given to schools in districts where at least 75% of students are receiving SNAP or TANF subsidies and are in families that meet the federal guidelines for poverty.

All projects must meet a national objective and propose eligible activities. Other elements of the Method of Distribution contained in the substantially amended 2020 Action Plan, including eligible applicants, method of distributing funds to recipients (application deadlines and selection), eligible activities, grants maximums and threshold requirements, etc. are all described in the CDBG-CV Program Description.

CONTRACT PERIOD – ESTIMATED

Start date: **January 11, 2021** End date: **January 10, 2024**. Dates provide estimates only. Any resulting contract will begin on the date specified in the notice of award.

This contract is a two (2) year contract with one (1) year renewal option. The maximum potential contract period is (3) years.

We expect the funds for the service of Tranche I CDBG-CV1 to be awarded within 12 – 18 months, and monitoring/close-out is 3 – 6 months.

PART 3

SCOPE OF WORK

The respondent selected by the SCDOC will be required to provide professional services necessary to comply with all requirements of the CDBG-CV1 funds; including, but not limited to:

- a) Understanding the requirements and authorized uses of the CARES Act CDBG-CV1 funds;
- b) Understand the requirements of and establish policies and procedures for implementing and overseeing the South Carolina CDBG-CV1 Program as described in the CDBG-CV Program Description and Substantial Amendment to the 2020 Annual Action Plan for the CARES Act for CDBG-CV;
- c) Establish procedures for verification of eligibility for award and expenditure;

d) Design/establish final application and/or award;

Provide a grant management system

e) Provide a grants management system and establish processes and procedures related to final application, grant award, project implementation, monitoring, oversight of compliance at program and project level, closeout of grants, and all applicable reporting, including:

- Final application request, receipt and review, including review of budgets, eligible activities, national objective compliance, CARES Act need to prepare for, prevent or respond to COVID-19, and duplication of benefits. Applications and application files must contain all elements required for compliance with HUD, CDBG, CDBG-CV and other federal requirements, including HUD-required needs assessment.
- Fundability documentation
- Award Document processing and tracking to ensure signed grant awards
- Reporting to Commerce regarding Status of Award and FFATA/FSRS Reporting
- Develop Duplication of Benefits policy and procedures for ensuring grant recipient compliance and documentation
- Review CDBG Manual and applicable for elements required by HUD, CARES Act, and other federal regulations and requirements pertinent to each stage of the grant lifecycle and establish policies and procedures for administering:
 - Startup including environmental review, release/clearance, as well as ensuring the following are all received if not submitted with an approved final application
 - Administrative contract
 - Subrecipient agreements
 - Other required procurement processes that will be required
 - Section 504
 - Fair Housing
 - Section 3
 - Section 102 Disclosure
 - Conflict of Interest
 - Program income
 - Special conditions
 - Implementation schedule and detailed budget
 - Financial documents – authorized signatures for payment requests and checks, debarment/suspension certificate, compliance with OMB Single Audit requirements
 - Project implementation and progress oversight – particularly
 - where non-profit subrecipients and/or contractors unfamiliar with CDBG requirements will carry out activities
 - where public facility activities may trigger Davis Bacon and labor standards compliance
 - including recipient record-keeping requirements
 - Progress reporting, including bi-weekly reports to Commerce and periodic reporting of accomplishments from grant recipients and to Commerce as required for accomplishment reporting in IDIS

- Drawdown and disbursement of funds, including receipt, review of and approval of payment requests, documentation, and coordination with Commerce as necessary to facilitate IDIS drawdown and any required State financial reporting
- Project amendment requests, review and approval, as applicable, including evaluation of revised project scope, determination of eligibility and fundability, grant award increases, documentation, budgets, etc.
- Monitoring of financial and programmatic compliance with all HUD CDBG and cross-cutting federal requirements
- Monitoring to ensure compliance with duplication of benefits and other CARES Act and CDBG-CV specific provisions
- Final performance reporting from grant recipients and to Commerce, including documentation of program benefit and compliance with national objective and caps related to LMI expenditures and administrative expenditures
- Final fundability review prior to grant project closeout
- Financial and programmatic closeout, including all documentation required and in compliance with all applicable regulations and requirements
- Recipient Single Audit compliance
- Grant closeout, including all required documents, certifications, public hearing, etc.
- Data collection, documentation and required reporting related to all of the above and specifically included but not limited to:
 - Compliance with HUD caps on LMI and administrative expenditures
 - Timeliness of expenditures and expenditure deadline for CDBG-CV
 - Federal reports required for CDBG-CV
 - Contract and Subcontract Activity report due October 10 each year, for the period Oct 1 – Sept 30,
 - Section 3 for April 1 through March 31 each year, with report due June each year, including both contractor efforts and grant recipient efforts
 - Labor standards due biannually
 - Annual performance reporting as required for HUD and the State’s CAPER
 - Any specific reporting required by the CARES Act, the CDBG-CV Federal Notice or HUD for the CARES Act
- Submit procedures for complying with the above to Commerce
- Identify all forms that recipients must submit at each stage, develop any new forms required and adapt any that are needed but can be streamlined, and establish systems and procedures for ensuring receipt and retention in grant files
- Create mini manual revising applicable, regular CDBG Manual for CDBG-CV or other grant recipient guidance materials
- Ensure adequate and accurate data collection, data management, and record-keeping, including the establishment of grant files for application, award documents, documentation of eligibility and national objective compliance, documentation of benefit, documentation related to duplication of benefits, other requirements that may be specific to CDBG-CV
- Compliance with Section 3 requirements and grant recipient, subrecipient and contractor compliance
- Administrative cost time-keeping to facilitate grant allocation of administrative cost payments related to activity delivery
- Waste and fraud management procedures and compliance

- OMB, financial management and administrative procedures requirements compliance

f) Confirmation of verification of eligibility of authorized uses and final disbursement of CDBG-CV1 funds or other awards of proceeds;

g) Coordinate with federal and state agencies, including but not limited to, the U.S. Department of HUD, U.S. Department of the Treasury, the US Attorney's office, the US Department of Justice, the SC Emergency Management Division, the SC Department of Health and Environmental Control, and the State Housing Finance and Development Authority;

h) Provide for fraud, waste, and abuse identification, reporting and remediation;

i) Assist the SCDOC and representation to any federal or state audit of CDBG-CV funds;

j) Provide for consolidated financial reporting;

k) Establish appeal procedure regarding any disputes regarding amounts awarded, funds drawn, contractors and subrecipients involved in project delivery and a process for evaluation for final determination;

l) Provide bi-weekly status reports, to include assessments of financial compliance and performance toward the completion of grant criteria and reporting on financial performance and projection modeling—How are we doing? How well have we done? How much more remains to be done?;

m) Process for review and any subsequent reporting required by the CDBG-CV funds; provide all necessary reporting; and,

n) Provide for the review of all financial audits pertaining to these funds for both grant recipients and sub-recipients and the reporting of any material findings or financial irregularities.

The SC Department of Commerce will:

- a. Provide the SC CDBG-CV Program Description
- b. Provide access to the email inbox to which applicants will submit Intent to Apply forms
- c. The Intent to Apply forms
- d. Provide technical assistance to grant recipients and initial project eligibility evaluation, via Commerce's Technical Assistance contractor
- e. Provide standard CDBG Implementation Manual and forms, downloadable from www.cdbgSC.com
- f. Submit draw requests to HUD for CDBG-CV1 funds
- g. Disburse pay requests to awardees

PART 4

INFORMATION TO BE SUBMITTED

All vendors that intend to participate in this process must submit information only on their qualifications, experience, ability to perform the requirements of the contract and fee structure.

Respondents shall be held responsible for the validity of all information supplied in their response. Respondents are advised that the State reserves the right to conduct an independent investigation of any information, including prior experience, identified in the responses. Should subsequent investigation disclose that the facts and conditions were not as stated, the respondent's submittal may be rejected or contract terminated for default if after award, in addition to any other remedy available under the contract or by law.

Respondents shall submit:

- a. One (1) USB flash drive containing the respondent's response (in MS Word and/or PDF format).
- b. One (1) USB flash drive labeled "original redacted" containing a redacted version of your response.
- c. If submitted via email, respondents must attach both a. and b.

Because time is of the essence, Respondent's responses are limited to a total length of twenty (20) pages.

Respondents should submit the following information for purposes of evaluation. Restate each of the items below and provide your response to that item immediately thereafter. The response should include the following sections and should be presented in the listed order:

4.1 RESPONDENT'S QUALIFICATIONS AND EXPERIENCE

- a. Provide a narrative designed to demonstrate to the evaluation panel your company's qualifications, and advantages to the State in selecting your company to provide the services outlined in Part 3, Scope of Work. The narrative should include a demonstration of minimum experience and the professional and technical competence of your firm with respect to the type of services required by governmental entities for compliance with federal grants, including, but not limited to: project management experience; experience, knowledge of, and compliance with state and federal ethics rules; experience with identification and reporting of waste, fraud and abuse; and experience with the oversight of disbursement and tracking of federal funds by state or federal agencies.
- b. Provide a detailed description of your company and company history. Include your company's principal business, ownership, the number of employees regularly employed, how long your company has been in the business and the number of offices and locations, including the location of the office that would serve as primary contact during this contract.
- c. Provide three (3) references familiar with your work. Include the name of a contact person, their title, address, telephone number and e-mail address. References may be contacted and/or sent a written reference survey. As such, respondents should submit references they are certain will complete and return a written reference survey.

4.2 RESPONDENT'S ABILITY TO PERFORM

- a. Provide a narrative designed to demonstrate the capacity and capability of your firm to provide the services requested on an expedited basis, specifically a staffing plan and identification of any sub-consultants necessary to perform the services and the professional qualifications of both staff and sub-consultants.

- b. Provide information reflecting your company's current financial position. Include a copy of your company's audited financial statements for the last three (3) years.
- c. Provide specific detailed information regarding any and all situations where your company has defaulted on a contract. Provide specific detailed information regarding any and all situations where a contract has been canceled or in which a contract was not renewed due to alleged fault on the part of your company.
- d. In the last three (3) years, has your company had a project or contract terminated? If so, please describe the circumstances. Provide a list of any contracts that were terminated for convenience prior to the original contract end date and the reason for termination.
- e. Provide specific detailed information regarding any legal action(s), including currently pending actions against your company in the past five (5) years.

4.3 RESPONDENT'S FEE STRUCTURE

- a. Provide a fee structure and methodology. Identify any fees and anticipated expenses applicable to the provision of the services.

PART 5

EVALUATION CRITERIA

Selection will be based upon the scoring of the evaluation panel. Respondents will be ranked from most qualified to least qualified based on their qualifications and experience, ability to perform and their proposed fee structure. Interviews will then be held with the top two (2) qualified respondents. All submittals will be considered.

- 1. Qualifications and Experience.
- 2. Ability to accomplish the Scope of Work.
- 3. Fee Structure. The evaluation panel will evaluate comparative costs and methodologies.

PART 6

TERMS AND CONDITIONS

6.1 ASSIGNMENT, NOVATION, AND CHANGE OF NAME, IDENTITY, OR STRUCTURE: (a) Contractor shall not assign this contract, or its rights, obligations, or any other interest arising from this contract, or delegate any of its performance obligations, without the express written consent of the Procurement Officer. The foregoing restriction does not apply to a transfer that occurs by operation of law (e.g., bankruptcy; corporate reorganizations and consolidations, but not including partial asset sales). Notwithstanding the foregoing, Contractor may assign monies receivable under the contract provided that the state shall have no obligation to make payment to an assignee until thirty (30) days after Contractor (not the assignee) has provided the Procurement Officer with (i) proof of the assignment, (ii) the identity (by contract number) of the specific state contract to which the assignment applies, and (iii) the name of the assignee and the exact address or account information to which assigned payments should be made. (b) If Contractor amends, modifies, or otherwise changes its name, its identity (including its trade name), or its corporate, partnership or other structure, or its

FEIN, Contractor shall provide the Procurement Officer prompt written notice of such change. (c) Any name change, transfer, assignment, or novation is subject to the conditions and approval required by Regulation 19-445.2180, which does not restrict transfers by operation of law.

6.2 BANKRUPTCY – GENERAL: (a) Notice. In the event the Contractor enters into proceedings relating to bankruptcy, whether voluntary or involuntary, the Contractor agrees to furnish written notification of the bankruptcy to the State. This notification shall be furnished within two (2) days of the initiation of the proceedings relating to the bankruptcy filing. This notification shall include the date on which the bankruptcy petition was filed, the identity of the court in which the bankruptcy petition was filed, and a listing of all State contracts against which final payment has not been made. This obligation remains in effect until final payment under this contract. (b) Termination. This contract is voidable and subject to immediate termination by the State upon the Contractor's insolvency, including the filing of proceedings in bankruptcy.

6.3 CHOICE-OF-LAW: The Agreement, any dispute, claim, or controversy relating to the Agreement, and all the rights and obligations of the parties shall, in all respects, be interpreted, construed, enforced and governed by and under the laws of the State of South Carolina, except its choice of law rules. As used in this paragraph, the term "Agreement" means any transaction or agreement arising out of, relating to, or contemplated by this solicitation.

6.4 CONTRACT DOCUMENTS & ORDER OF PRECEDENCE (FEB 2015): (a) Any contract resulting from this solicitation shall consist of the following documents: (1) a Record of Negotiations, if any, executed by you and the Procurement Officer, (2) the solicitation, as amended, (3) documentation of clarifications or discussions of an offer, if applicable, (4) your offer, (5) any statement reflecting the State's final acceptance (a/k/a "award"), and (6) purchase orders. These documents shall be read to be consistent and complementary. Any conflict among these documents shall be resolved by giving priority to these documents in the order listed above. (b) The terms and conditions of documents (1) through (5) above shall apply notwithstanding any additional or different terms and conditions in any other document, including without limitation, (i) a purchase order or other instrument submitted by the State, (ii) any invoice or other document submitted by Contractor, or (iii) any privacy policy, terms of use, or end user agreement. Except as otherwise allowed herein, the terms and conditions of all such documents shall be void and of no effect. (c) No contract, license, or other agreement containing contractual terms and conditions will be signed by the State. Any document signed or otherwise agreed to by persons other than the Procurement Officer shall be void and of no effect.

6.5 DISPUTES: (1) Choice-of-Forum. All disputes, claims, or controversies relating to the Agreement shall be resolved exclusively by the appropriate Chief Procurement Officer in accordance with Title 11, Chapter 35, Article 17 of the South Carolina Code of Laws, or in the absence of jurisdiction, only in the Court of Common Pleas for, or a federal court located in, Richland County, State of South Carolina. Contractor agrees that any act by the Government regarding the Agreement is not a waiver of either the Government's sovereign immunity or the Government's immunity under the Eleventh Amendment of the United States' Constitution. As used in this paragraph, the term "Agreement" means any transaction or agreement arising out of, relating to, or contemplated by this solicitation. (2) Service of Process. Contractor consents that any papers, notices, or process necessary for the initiation or continuation of any disputes, claims, or controversies relating to the Agreement; for any court action in connection therewith; or for the entry of judgment on any award made, may be served on Contractor by certified mail (return receipt requested) addressed to Contractor at the address provided on the Cover Page or by personal service or by any other manner permitted by law, in or outside South Carolina. Notice by certified mail is deemed duly given upon deposit in the United States mail.

6.6 EQUAL OPPORTUNITY: Contractor is referred to and shall comply with all applicable provisions, if any, of Title 41, Part 60 of the Code of Federal Regulations, including but not limited to Sections 60-1.4, 60-4.2,

60-4.3, 60-250.5(a), and 60-741.5(a), which are hereby incorporated by reference.

6.7 FALSE CLAIMS: According to the S.C. Code of Laws Section 16-13-240, "a person who by false pretense or representation obtains the signature of a person to a written instrument or obtains from another person any chattel, money, valuable security, or other property, real or personal, with intent to cheat and defraud a person of that property is guilty" of a crime.

6.8 NO INDEMNITY OR DEFENSE: Any term or condition is void to the extent it requires the State to indemnify, defend, or pay attorney's fees to anyone for any reason.

6.9 NOTICE: (A) After award, any notices shall be in writing and shall be deemed duly given (1) upon actual delivery, if delivery is by hand, (2) upon receipt by the transmitting party of automated confirmation or answer back from the recipient's device if delivery is by telex, telegram, or electronic mail, or (3) upon deposit into the United States mail, if postage is prepaid, a return receipt is requested, and either registered or certified mail is used. (B) Notice to Contractor shall be to the address identified as the Notice Address on Page Two. Notice to the state shall be to the Procurement Officer's address on the Cover Page. Either party may designate a different address for notice by giving notice in accordance with this paragraph.

6.10 OPEN TRADE: During the contract term, including any renewals or extensions, Contractor will not engage in the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade, as defined in SC Code Section 11-35-5300.

6.11 PAYMENT and INTEREST: (a) The State shall pay the Contractor, after the submission of proper invoices or vouchers, the prices stipulated in this contract for supplies delivered and accepted or services rendered and accepted, less any deductions provided in this contract. Unless otherwise specified herein, including the purchase order, payment shall not be made on partial deliveries accepted by the Government. (b) Unless otherwise provided herein, including the purchase order, payment will be made by check mailed to the payment address on the Cover Page. (c) Notwithstanding any other provision, payment shall be made in accordance with S.C. Code Section 11-35-45, or Chapter 6 of Title 29 (real property improvements) when applicable, which provides the Contractor's exclusive means of recovering any type of interest from the Owner. Contractor waives imposition of an interest penalty unless the invoice submitted specifies that the late penalty is applicable. Except as set forth in this paragraph, the State shall not be liable for the payment of interest on any debt or claim arising out of or related to this contract for any reason. (d) Amounts due to the State shall bear interest at the rate of interest established by the South Carolina Comptroller General pursuant to Section 11-35-45 ("an amount not to exceed fifteen percent each year"), as amended, unless otherwise required by Section 29-6-30. (e) Any other basis for interest, including but not limited to general (pre- and post-judgment) or specific interest statutes, including S.C. Code Ann. Section 34-31-20, are expressly waived by both parties. If a court, despite this agreement and waiver, requires that interest be paid on any debt by either party other than as provided by items (c) and (d) above, the parties further agree that the applicable interest rate for any given calendar year shall be the lowest prime rate as listed in the first edition of the Wall Street Journal published for each year, applied as simple interest without compounding. (f) The State shall have all of its common law, equitable and statutory rights of set-off.

6.12 PUBLICITY: Contractor shall not publish any comments or quotes by State employees, or include the State in either news releases or a published list of customers, without the prior written approval of the Procurement Officer.

6.13 PURCHASE ORDERS: Contractor shall not perform any work prior to the receipt of a purchase order from the State. Purchase orders are subject to all terms and conditions of this contract. Purchase orders may be electronic. No particular form is required. An order placed pursuant to the purchasing card provision qualifies as

a purchase order.

6.14 SURVIVAL OF OBLIGATIONS: The Parties' rights and obligations which, by their nature, would continue beyond the termination, cancellation, rejection, or expiration of this contract shall survive such termination, cancellation, rejection, or expiration, including, but not limited to, the rights and obligations created by the following clauses: Indemnification - Third Party Claims, Contract Documents and Order of Precedence, and any provisions regarding warranty or audit.

6.15 TAXES: Any tax the Contractor may be required to collect or pay upon the sale, use or delivery of the products shall be paid by the State, and such sums shall be due and payable to the Contractor upon acceptance. Any personal property taxes levied after delivery shall be paid by the State. It shall be solely the State's obligation, after payment to Contractor, to challenge the applicability of any tax by negotiation with, or action against, the taxing authority. Contractor agrees to refund any tax collected, which is subsequently determined not to be proper and for which a refund has been paid to Contractor by the taxing authority. In the event that the Contractor fails to pay, or delays in paying, to any taxing authorities, sums paid by the State to the Contractor, Contractor shall be liable to the State for any loss (such as the assessment of additional interest) caused by virtue of this failure or delay. Taxes based on the Contractor's net income or assets shall be the sole responsibility of the Contractor.

6.16 TERMINATION DUE TO UNAVAILABILITY OF FUNDS: Payment and performance obligations for succeeding fiscal periods shall be subject to the availability and appropriation of funds, therefore. When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the contract shall be canceled. In the event of a cancellation pursuant to this paragraph, Contractor will be reimbursed the resulting unamortized, reasonably incurred, nonrecurring costs. Contractor will not be reimbursed any costs amortized beyond the initial contract term.

6.17 THIRD PARTY BENEFICIARY: This Contract is made solely and specifically among and for the benefit of the parties hereto, and their respective successors and assigns, and no other person will have any rights, interest, or claims hereunder or be entitled to any benefits under or on account of this Contract as a third party beneficiary or otherwise.

6.18 WAIVER: The State does not waive any prior or subsequent breach of the terms of the Contract by making payments on the Contract, by failing to terminate the Contract for lack of performance, or by failing to strictly or promptly insist upon any term of the Contract. Only the Procurement Officer has actual authority to waive any of the State's rights under this Contract. Any waiver must be in writing.

6.19 CHANGES: (1) Contract Modification. By a written order, at any time, and without notice to any surety, the Procurement Officer may, subject to all appropriate adjustments, make changes within the general scope of this contract in any one or more of the following:

- (a) drawings, designs, or specifications, if the supplies to be furnished are to be specially manufactured for the [State] in accordance therewith;
- (b) method of shipment or packing;
- (c) place of delivery;
- (d) description of services to be performed;
- (e) time of performance (i.e., hours of the day, days of the week, etc.); or,
- (f) place of performance of the services. Subparagraphs (a) to (c) apply only if supplies are furnished under this contract. Subparagraphs (d) to (f) apply only if services are performed under this contract.

(2) Adjustments of Price or Time for Performance. If any such change increases or decreases the Contractor's cost of, or the time required for, performance of any part of the work under this contract, whether or not changed

by the order, an adjustment shall be made in the contract price, the delivery schedule, or both, and the contract modified in writing accordingly. Failure of the parties to agree to an adjustment shall not excuse the Contractor from proceeding with the contract as changed, provided that the State promptly and duly make such provisional adjustments in payment or time for performance as may be reasonable. By proceeding with the work, the Contractor shall not be deemed to have prejudiced any claim for additional compensation, or an extension of time for completion.

(3) Time Period for Claim. Within 30 days after receipt of a written contract modification under Paragraph (1) of this clause, unless such period is extended by the Procurement Officer in writing, the Contractor shall file notice of intent to assert a claim for an adjustment. Later notification shall not bar the Contractor's claim unless the State is prejudiced by the delay in notification.

(4) Claim Barred After Final Payment. No claim by the Contractor for an adjustment hereunder shall be allowed if notice is not given prior to final payment under this contract.

6.20 COMPLIANCE WITH LAWS: During the term of the contract, Contractor shall comply with all applicable provisions of laws, codes, ordinances, rules, regulations, and tariffs.

6.21 CONTRACTOR'S INSURANCE – GENERAL: (a) Without limiting any of the obligations or liabilities of Contractor, Contractor shall procure from a company or companies lawfully authorized to do business in South Carolina and with a current A.M. Best rating of no less than A: VII, and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work and the results of that work by the contractor, his agents, representatives, employees or subcontractors.

(b) Coverage shall be at least as broad as:

(1) Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 00 01 12 07 covering CGL on an "occurrence" basis, including products-completed operations, personal and advertising injury, with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, the general aggregate limit shall be twice the required occurrence limit. This contract shall be considered to be an "insured contract" as defined in the policy.

(2) Auto Liability: ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limits no less than \$1,000,000 per accident for bodily injury and property damage.

(3) Worker's Compensation: As required by the State of South Carolina, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

(c) Every applicable Using Governmental Unit, and the officers, officials, employees and volunteers of any of them, must be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used.

(d) For any claims related to this contract, the Contractor's insurance coverage shall be primary insurance as respects the State, every applicable Using Governmental Unit, and the officers, officials, employees and volunteers of any of them. Any insurance or self-insurance maintained by the State, every applicable Using Governmental Unit, or the officers, officials, employees and volunteers of any of them, shall be excess of the Contractor's insurance and shall not contribute with it.

(e) Prior to commencement of the work, the Contractor shall furnish the State with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this section. All certificates are to be received and approved by the State before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them.

The State reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by this section, at any time.

(f) Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions. In addition, the Contractor shall notify the State immediately upon receiving any information that any of the coverages required by this section are or will be changed, cancelled, or replaced.

(g) Contractor hereby grants to the State and every applicable Using Governmental Unit a waiver of any right to subrogation which any insurer of said Contractor may acquire against the State or applicable Using Governmental Unit by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the State or Using Governmental Unit has received a waiver of subrogation endorsement from the insurer.

(h) Any deductibles or self-insured retentions must be declared to and approved by the State. The State may require the Contractor to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

(i) The State reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

6.22 CONTRACTOR PERSONNEL: The Contractor shall enforce strict discipline and good order among the Contractor's employees and other persons carrying out the Contract. The Contractor shall not permit employment of unfit persons or persons not skilled in tasks assigned to them.

6.23 CONTRACTOR'S OBLIGATION - GENERAL: The Contractor shall provide and pay for all materials, equipment, labor and professional and non-professional services, and shall perform all other acts and supply all other things necessary, to fully and properly perform and complete the work. The Contractor must act as the prime contractor and assume full responsibility for any subcontractor's performance. The Contractor will be considered the sole point of contact with regard to all situations, including payment of all charges and the meeting of all other requirements.

6.24 CONTRACT INTERPRETATION: In the event there are any disagreements between the parties with regards to the application of this contract or the requirements of the SCDOC arising from any interpretation of the Request for Proposal, this contract, or otherwise, Contractor agrees to defer to the reasonable interpretations of SCDOC as from time to time may be made by the SCDOC. This provision applies to all matters including those arising from disputes concerning whether Contractor is required to provide some service or item including scope of work issues and whether particular items or services were included in the scope of work agreed to by the parties in this contract or otherwise. In summary, if both parties have a reasonable interpretation regarding application of the contract, Contractor agrees to defer to SCDOC's interpretation.

6.25 CONTRACTOR'S USE OF STATE PROPERTY: Upon termination of the contract for any reason, the State shall have the right, upon demand, to obtain access to, and possession of, all State properties, including, but not limited to, current copies of all State application programs and necessary documentation, all data, files, intermediate materials and supplies held by the contractor. Contractor shall not use, reproduce, distribute, display, or sell any data, material, or documentation owned exclusively by the State without the State's written consent, except to the extent necessary to carry out the work.

6.26 DEFAULT: (a) (1) The State may, subject to paragraphs (c) and (d) of this clause, by written notice of default to the Contractor, terminate this contract in whole or in part if the Contractor fails to:

- (i) Deliver the supplies or to perform the services within the time specified in this contract or any extension;
- (ii) Make progress, so as to endanger performance of this contract (but see paragraph (a)(2) of this clause); or
- (iii) Perform any of the other material provisions of this contract (but see paragraph (a)(2) of this clause).

- (2) The State's right to terminate this contract under subdivisions (a)(1)(ii) and (1)(iii) of this clause, may be exercised if the Contractor does not cure such failure within ten (10) days (or more if authorized in writing by the Procurement Officer) after receipt of the notice from the Procurement Officer specifying the failure.
- (b) If the State terminates this contract in whole or in part, it may acquire, under the terms and in the manner the Procurement Officer considers appropriate, supplies or services similar to those terminated, and the Contractor will be liable to the State for any excess costs for those supplies or services. However, the Contractor shall continue the work not terminated.
- (c) Except for defaults of subcontractors at any tier, the Contractor shall not be liable for any excess costs if the failure to perform the contract arises from causes beyond the control and without the fault or negligence of the Contractor. Examples of such causes include (1) acts of God or of the public enemy, (2) acts of the State in either its sovereign or contractual capacity, (3) fires, (4) floods, (5) epidemics, (6) quarantine restrictions, (7) strikes, (8) freight embargoes, and (9) unusually severe weather. In each instance the failure to perform must be beyond the control and without the fault or negligence of the Contractor.
- (d) If the failure to perform is caused by the default of a subcontractor at any tier, and if the cause of the default is beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either, the Contractor shall not be liable for any excess costs for failure to perform, unless the subcontracted supplies or services were obtainable from other sources in sufficient time for the Contractor to meet the required delivery schedule.
- (e) If this contract is terminated for default, the State may require the Contractor to transfer title and deliver to the State, as directed by the Procurement Officer, any (1) completed supplies, and (2) partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (collectively referred to as "manufacturing materials" in this clause) that the Contractor has specifically produced or acquired for the terminated portion of this contract. Upon direction of the Procurement Officer, the Contractor shall also protect and preserve property in its possession in which the State has an interest.
- (f) The State shall pay contract price for completed supplies delivered and accepted. The Contractor and Procurement Officer shall agree on the amount of payment for manufacturing materials delivered and accepted and for the protection and preservation of the property; if the parties fail to agree, the Procurement Officer shall set an amount subject to the Contractor's rights under the Disputes clause. Failure to agree will be a dispute under the Disputes clause. The State may withhold from these amounts any sum the Procurement Officer determines to be necessary to protect the State against loss because of outstanding liens or claims of former lien holders.
- (g) If, after termination, it is determined that the Contractor was not in default, or that the default was excusable, the rights and obligations of the parties shall, if the contract contains a clause providing for termination for convenience of the State, be the same as if the termination had been issued for the convenience of the State. If, in the foregoing circumstances, this contract does not contain a clause providing for termination for convenience of the State, the contract shall be adjusted to compensate for such termination and the contract modified accordingly subject to the contractor's rights under the Disputes clause.
- (h) The rights and remedies of the State in this clause are in addition to any other rights and remedies provided by law or under this contract.

6.27 ILLEGAL IMMIGRATION: (An overview is available at www.procurement.sc.gov) By signing your response, you certify that you will comply with the applicable requirements of Title 8, Chapter 14 of the South Carolina Code of Laws and agree to provide to the State upon request any documentation required to establish either: (a) that Title 8, Chapter 14 is inapplicable to you and your subcontractors or sub-subcontractors; or (b) that you and your subcontractors or sub-subcontractors are in compliance with Title 8, Chapter 14. Pursuant to Section 8-14-60, "A person who knowingly makes or files any false, fictitious, or fraudulent document, statement, or report pursuant to this chapter is guilty of a felony, and, upon conviction, must be fined within the discretion of the court or imprisoned for not more than five years, or both." You agree to include in any contracts with your subcontractors language requiring your subcontractors to (a) comply with the applicable requirements of Title 8, Chapter 14, and (b) include in their contracts with the sub-subcontractors language requiring the sub-

subcontractors to comply with the applicable requirements of Title 8, Chapter 14.

6.28 INDEMNIFICATION - THIRD PARTY CLAIMS - GENERAL: Notwithstanding any limitation in this agreement, and to the fullest extent permitted by law, Contractor shall defend and hold harmless Indemnitees for and against any and all suits or claims of any character (and all related damages, settlement payments, attorneys' fees, costs, expenses, losses or liabilities) by a third party which are attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property arising out of or in connection with the goods or services acquired hereunder or caused in whole or in part by any act or omission of Contractor, its subcontractors, their employees, workmen, servants, agents, or anyone directly or indirectly employed by them or anyone for whose acts any of them may be liable, regardless of whether or not caused in part by an Indemnitee, and whether or not such claims are made by a third party or an Indemnitee; however, if an Indemnitee's negligent act or omission is subsequently determined to be the sole proximate cause of a suit or claim, the Indemnitee shall not be entitled to indemnification hereunder. Contractor shall be given timely written notice of any suit or claim. Contractor's obligations hereunder are in no way limited by any protection afforded under workers' compensation acts, disability benefits acts, or other employee benefit acts. This clause shall not negate, abridge, or reduce any other rights or obligations of indemnity which would otherwise exist. The obligations of this paragraph shall survive termination, cancelation, or expiration of the parties' agreement. This provision shall be construed fairly and reasonably, neither strongly for nor against either party, and without regard to any clause regarding insurance. As used in this clause, "Indemnitees" means the State of South Carolina, its instrumentalities, agencies, departments, boards, political subdivisions and all their respective officers, agents and employees.

6.29 LICENSES AND PERMITS: During the term of the contract, the Contractor shall be responsible for obtaining, and maintaining in good standing, all licenses (including professional licenses, if any), permits, inspections and related fees for each or any such licenses, permits and /or inspections required by the State, county, city or other government entity or unit to accomplish the work specified in this solicitation and the contract.

6.30 OWNERSHIP OF DATA & MATERIALS: All data, material and documentation prepared for the state pursuant to this contract shall belong exclusively to the State.

6.31 PRICE ADJUSTMENTS: Price(s) submitted shall be fixed for the term of the Contract and may not be modified absent a Change Order or Contract Modification approved as provided by law.

6.32 PRICING DATA -- AUDIT -- INSPECTION (JAN 2006)

[Clause Included Pursuant to Section 11-35-1830, - 2210, & -2220] (a) Cost or Pricing Data. Upon Procurement Officer's request, you shall submit cost or pricing data, as defined by 48 C.F.R. Section 2.101 (2004), prior to either (1) any award to contractor pursuant to 11-35-1530 or 11-35-1560, if the total contract price exceeds \$500,000, or (2) execution of a change order or contract modification with Contractor which exceeds \$100,000. Your price, including profit or fee, shall be adjusted to exclude any significant sums by which the State finds that such price was increased because you furnished cost or pricing data that was inaccurate, incomplete, or not current as of the date agreed upon between parties. (b) Records Retention. You shall maintain your records for three years from the date of final payment, or longer if requested by the Chief Procurement Officer. The State may audit your records at reasonable times and places. As used in this subparagraph (b), the term "records" means any books or records that relate to cost or pricing data submitted pursuant to this clause. In addition to the obligation stated in this subparagraph (b), you shall retain all records and allow any audits provided for by 11-35-2220(2). (c) Inspection. At reasonable times, the State may inspect any part of your place of business which is related to performance of the work. (d) Instructions Certification. When you submit data pursuant to subparagraph (a), you shall (1) do so in accordance with the instructions appearing in Table 15-2 of 48 C.F.R. Section 15.408 (2004) (adapted as necessary for the state context), and (2) submit a Certificate of Current Cost or Pricing Data,

as prescribed by 48 CFR Section 15.406-2(a) (adapted as necessary for the State context). (e) Subcontracts. You shall include the above text of this clause in all of your subcontracts. (f) Nothing in this clause limits any other rights of the state.

6.33 RELATIONSHIP OF THE PARTIES (JAN 2006): Neither party is an employee, agent, partner, or joint venturer of the other. Neither party has the right or ability to bind the other to any agreement with a third party or to incur any obligation or liability on behalf of the other party.

6.34 TERM OF CONTRACT: The contract will be a term of one (1) year; however, prior to the expiration of the term, the contract may be extended for an additional period of time as agreed between the parties to continue any services made necessary by the CDBG-CV Funds.

6.35 TERMINATION FOR CONVENIENCE (JAN 2006): (1) Termination. The Procurement Officer may terminate this contract in whole or in part, for the convenience of the State. The Procurement Officer shall give written notice of the termination to the Contractor specifying the part of the contract terminated and when termination becomes effective.

(2) Contractor's Obligations. The Contractor shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination the Contractor will stop work to the extent specified. The Contractor shall also terminate outstanding orders and subcontracts as they relate to the terminated work. The Contractor shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work. The Procurement Officer may direct the Contractor to assign the Contractor's right, title, and interest under terminated orders or subcontracts to the State. The Contractor must still complete the work not terminated by the notice of termination and may incur obligations as are necessary to do so.

(3) Right to Supplies. The Procurement Officer may require the Contractor to transfer title and deliver to the State in the manner and to the extent directed by the Procurement Officer: (a) any completed supplies; and (b) such partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (hereinafter called "manufacturing material") as the Contractor has specifically produced or specially acquired for the performance of the terminated part of this contract. The Contractor shall, upon direction of the Procurement Officer, protect and preserve property in the possession of the Contractor in which the State has an interest. If the Procurement Officer does not exercise this right, the Contractor shall use best efforts to sell such supplies and manufacturing materials in accordance with the standards of Uniform Commercial Code Section 2-706. Utilization of this Section in no way implies that the State has breached the contract by exercise of the Termination for Convenience Clause.

(4) Compensation. (a) The Contractor shall submit a termination claim specifying the amounts due because of the termination for convenience together with cost or pricing data required by Section 11-35-1830 bearing on such claim. If the Contractor fails to file a termination claim within one year from the effective date of termination, the Procurement Officer may pay the Contractor, if at all, an amount set in accordance with Subparagraph (c) of this Paragraph.

(b) The Procurement Officer and the Contractor may agree to a settlement and that the settlement does not exceed the total contract price plus settlement costs reduced by payments previously made by the State, the proceeds of any sales of supplies and manufacturing materials under Paragraph (3) of this clause, and the contract price of the work not terminated;

(c) Absent complete agreement under Subparagraph (b) of this Paragraph, the Procurement Officer shall pay the Contractor the following amounts, provided payments agreed to under Subparagraph (b) shall not duplicate payments under this Subparagraph:

(i) contract prices for supplies or services accepted under the contract;

(ii) costs reasonably incurred in performing the terminated portion of the work less amounts paid or to be paid for accepted supplies or services;

(iii) reasonable costs of settling and paying claims arising out of the termination of subcontracts or orders pursuant


to Paragraph (2) of this clause. These costs must not include costs paid in accordance with Subparagraph (c)(ii) of this paragraph;

(iv) any other reasonable costs that have resulted from the termination. The total sum to be paid the Contractor under this Subparagraph shall not exceed the total contract price plus the reasonable settlement costs of the Contractor reduced by the amount of payments otherwise made, the proceeds of any sales of supplies and manufacturing materials under Subparagraph (b) of this Paragraph, and the contract price of work not terminated.

(d) Contractor must demonstrate any costs claimed, agreed to, or established under Subparagraphs (b) and (c) of this Paragraph using its standard record keeping system, provided such system is consistent with any applicable Generally Accepted Accounting Principles.

(5) Contractor's failure to include an appropriate termination for convenience clause in any subcontract shall not (i) affect the state's right to require the termination of a subcontract, or (ii) increase the obligation of the state beyond what it would have been if the subcontract had contained an appropriate clause.

State of South Carolina - Amendment I
12/01/2020

	<p align="center">State of South Carolina</p> <p align="center">Request For Qualifications AMENDMENT 1</p>	<p>Date Issued: 12/08/2020 Procurement Officer: Clarissa Belton, CPPB, CPM Phone: 803.737.0416 E-Mail Address: cbelton@sccommerce.com</p>	
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DESCRIPTION: Professional Grant Administration Services for program implementation of funds received through the 'Coronavirus Aid, Relief, and Economic Security Act' (CARES Act) for Community Development Block Grant Program Coronavirus Response (CDBG-CV).

SUBMIT QUALIFICATIONS BY (Date/Time): **12/22/2020 11:00 AM**

SUBMIT YOUR QUALIFICATIONS BY E-MAIL OR TO EITHER OF THE FOLLOWING ADDRESSES:

MAILING ADDRESS: South Carolina Department of Commerce 1201 Main Street, Suite 1600 Columbia SC 29201 Attention: Clarissa Belton (cbelton@sccommerce.com)	PHYSICAL ADDRESS: South Carolina Department of Commerce 1201 Main Street, Suite 1600 Columbia SC 29201 Attention: Clarissa Belton, CPPB, CPM
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COMPANY NAME (Full legal name of business)	
AUTHORIZED SIGNATURE	
TITLE (Business title of person signing above)	
PRINTED NAME (Printed name of person signing above)	DATE
MAILING ADDRESS	
CITY	STATE/ZIP CODE
TELEPHONE #	E-MAIL ADDRESS

AMENDMENTS TO THE REQUEST FOR QUALIFICATIONS: (a) The Request for Qualifications may be amended at any time prior to opening. All amendments to this Request for Qualifications shall be in writing from the State. The State shall not be legally bound by any amendment which is not in writing. Any amendment to the Request for Qualifications shall be e-mailed to all prospective respondents. (b) Respondents shall acknowledge receipt of any amendment to this Request for Qualifications (1) by signing and returning the amendment, (2) by acknowledging receipt in the respondents' response, or (3) by submitting a response that indicates in some way that the respondent received the amendment.

OPENING DATE AND TIME REMAINS THE SAME: 12/22/2020 11:00 A.M. EST

Responses to written questions received:

Question 1. On page 23 Term of Contract states the contract term is 1 year with optional renewal, however page 10 under contract period says it's a 2-year contract with one (1) year renewal option. Can you please clarify?

Answer 1. This is a two (2) year contract with a one (1) year renewal option.

Question 2. We wanted to confirm that electronic submittal is acceptable with a PDF response and an original redacted response PDF.

Answer 2. Yes. You may submit these documents electronically

Respondents shall submit:

- a. One (1) USB flash drive containing the respondent's response (in MS Word and/or PDF format).
- b. One (1) USB flash drive labeled "original redacted" containing
- c. If submitted via email, respondents must attach both a. and b.

Question 3. Will resumes, audited financial statements, table of contents, required cover page, and section divider pages be included in the page count? Our financial statements are multiple pages and will be above 20 pages.

Answer 3. The 20-page total number does not include resumes, financial statements, table of contents, cover page and section dividers.

Question 4. How many entities/organizations participate in the CDBG programs within the state currently, and does the State of South Carolina have an estimated number that the State of South Carolina expect to apply for the CDBG-CV funds?

Answer 4. The current State-run CDBG program is open to all the cities and counties in the non-entitlement areas of the State.

Question 5. Are there anticipated minimum/maximum award amounts to be established within the program?

Answer 5. The Substantial amendment to the Action Plan for the Cares Act that was included as part of this solicitation contains funding allocations per Council of Government for the Public Services Program. At this time no jurisdiction could exceed the amount designated for that Council of Government. There is no grant minimum for the Public Services Program, and there is no grant maximum grant for regional

and county-wide projects reflecting regional coordination. Other projects may request up to \$250,000, but this may be waived where there are no other applicants from the region and the level of need supports the funding requested. There is no grant minimum or maximum for the Public Facilities program, and these funds are not allocated regionally. Any eligible non-entitlement local government may apply for these funds.

Question 6. What systems are currently in use to administer CDBG funding historically, and will those systems be leveraged as part of this scope, or is the State of South Carolina looking for a new solution?

a. If the latter, are there certain software or systems that the provided technology will need to integrate with? What ERP/financial system is in use?

Answer 6. The State currently uses the Microsoft Dynamics 365 (customer engagement) online platform, heavily customized for CDBG grants management. To use a copy of the solution, or the customization of the out of the box Microsoft software for SC CDBG grants management, the contractor would need a Microsoft Dynamics 365 online license. In this case, the Department of Commerce's CDBG solution could be imported into the successful offeror's CRM instance, and this would provide all of the functionality (except document generation) that the State currently uses to administer CDBG grants and collect and report on related data. Alternatively, or in addition, the state may consider limited access to the existing system and/or a portal to allow access to account data (ie, local government accounts and contacts) and specific entities used to collect data related to grants, budgets, funding, payments and HUD related data like environmental and beneficiaries. This can be discussed with the successful offeror.

Question 7. Could the State of South Carolina clarify/expand on their expected timeline of awarding funds within 12-18 months, and monitoring/closeout of 3-6 months?

Answer 7. The State expects the Regional Councils of Government, which traditionally administer regular CDBG grants in this state, to facilitate regional coordination and regional prioritization of regionally allocated CARES Act funding. In some regions of the state, this is underway now. Consideration of Intent to Apply forms submitted for regionally coordinated projects, reflecting regional funding priorities, will begin March 1, 2021.

Regionally coordinated Public Services program projects will be given first consideration, and thereafter projects will be considered on a first-come, first-serve basis through July 1, 2021. After July 1, 2021, if any regionally allocated funds remain, these funds will become available to any eligible non-entitlement local government in the state. The successful offeror will coordinate with applicants who have submitted an Intent to Apply and coordinate submission of final applications, with funds to be awarded to successful applicants beginning March 1, 2021. Funds will continue to be awarded until all funds have been obligated, but the State expects the majority of funds to be awarded by July 1, 2021.

Intent to Apply for the Public Facilities Program are due no later than July 1, 2021 but should be submitted as soon as possible. Drawdown of awarded funds will occur once startup requirements have been met, including environmental. Monitoring of projects should occur as needed, but at a minimum once prior to project grant closeout for programmatic compliance and preferably prior to full drawdown of funds for financial compliance. Closeout will occur as projects are completed and all closeout requirements have been met. The timing of closeout of individual grants will be dependent on project timeframes, compliance with all closeout requirements, and achievement and documentation of accomplishments necessary to comply with HUD national objectives requirements.

Under the CARES Act, funds must be substantially expended within 3 years of the CDBG-CV grant agreement being signed. The CDBG-CV grant agreement was signed by the State on November 24, 2020.

Question 8. When do the State of South Carolina expect applications to go live?

Answer 8. By the middle of January 2020

Question 9. Clarify if the State of South Carolina expect the selected contractor to complete the FFATA/FSRS reporting (appears so per 4th bullet under e) on page 11, but doesn't explicitly state that as a responsibility anywhere)?

Answer 9. Yes, we would expect the respondent to follow the reporting for the Federal Funding Accounting and Transparency Act.

Question 10. RFQ states the Department of Commerce will submit draw requests to HUD, but will the selected contractor be responsible for creating the associated invoices/draw amounts?

Answer 10. Yes. The successful offeror will be responsible for submitting project-level draw requests to the Department of Commerce, which in turn will submit these draw requests in the HUD IDIS system.

Question 11. We were unable to access the site (<http://www.cdbgsc.com>) which references several items (2020 Action Plan and Program Description, Implementation Guide and Forms, etc). Can the State of South Carolina provide a copy for review?

Answer 11. Please ensure that your company does not have any firewalls preventing you from accessing the site.


Question 12. Page 14 of the RFQ states that "Respondent's responses are limited to a total length of twenty (20) pages." Does that page limit include titles pages, page breaker, and professional bios?

Answer 12. The 20-page total number does not include resumes, financial statements, table of contents, cover page and section dividers.

ALL OTHER TERMS, CONDITIONS, SPECIFICATIONS, AND BIDDING INSTRUCTIONS, OTHER THAN THOSE MENTIONED ABOVE, REMAIN UNCHANGED. IF THERE ARE ANY QUESTIONS, OR IF ANY CONFUSION OR UNCERTAINTY ARISES AS A RESULT OF THIS AMENDMENT, IT IS THE SOLE RESPONSIBILITY OF THE OFFEROR TO CONTACT THE PROCUREMENT OFFICER FOR CLARIFICATION. CONTACT INFORMATION CAN BE FOUND IN THE TOP RIGHT HAND CORNER OF THE COVER PAGE OF THIS AMENDMENT. REFERENCE THE "DUTY TO INQUIRE" CLAUSE IN THE ORIGINAL INVITATION FOR BID.

END OF AMENDMENT

**Guidehouse, Inc Request for Qualifications Submission
12/01/2020**

	<p align="center">State of South Carolina</p> <p align="center">Request for Qualifications</p>	<p>Date Issued: 12/01/2020 Procurement Officer: Clarissa Belton, CPPB, CPM Phone: 803.737.0416 E-Mail Address: cbelton@sccommerce.com</p>	
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DESCRIPTION: Professional Grant Administration Services for program implementation of funds received through the 'Coronavirus Aid, Relief, and Economic Security Act' (CARES Act) for Community Development Block Grant Program Coronavirus Response (CDBG-CV).

SUBMIT QUALIFICATIONS BY (Date/Time): **12/22/2020 11:00 AM**

SUBMIT YOUR QUALIFICATIONS BY E-MAIL OR TO EITHER OF THE FOLLOWING ADDRESSES:

MAILING ADDRESS: South Carolina Department of Commerce 1201 Main Street, Suite 1600 Columbia SC 29201 Attention: Clarissa Belton (cbelton@sccommerce.com)	PHYSICAL ADDRESS: South Carolina Department of Commerce 1201 Main Street, Suite 1600 Columbia SC 29201 Attention: Clarissa Belton, CPPB, CPM
---	--

COMPANY NAME <p align="center">Guidehouse, Inc</p> (Full legal name of business)	
AUTHORIZED SIGNATURE <p align="center"><i>Mike Tosh</i></p>	
TITLE Partner (Business title of person signing above)	
PRINTED NAME Mike Tosh (Printed name of person signing above)	DATE 12/15/2020
MAILING ADDRESS 150 N Riverside Plz	
CITY Chicago	STATE/ZIP CODE IL 60606
TELEPHONE # 773 - 255 - 5890	E-MAIL ADDRESS mtosh@guidehouse.com



State of South Carolina
Request for Qualifications

Community Development Block Grant Program Coronavirus Response (CDBG-CV)

Volume I – Response to Request for Qualifications

December 22, 2020 11:00 AM

Provided to:

South Carolina Department of Commerce
Clarissa Belton
1201 Main Street, Suite 1600
Columbia, SC 29201
Telephone (803) 737-0416
cbelton@sccommerce.com

Provided by:

Guidehouse Inc.
Michael Tosh
Partner
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McLean, VA 22102-4257
Telephone (773) 255-5890
mtosh@guidehouse.com
www.guidehouse.com

Taxpayer Identification Number (TIN): 36-4094854
Data Universal Numbering System (DUNS): 022582428
Commercial and Government Entity (CAGE) Code: 1HLR9

guidehouse.com

2020-836

This proposal includes data that is proprietary and confidential to Guidehouse LLP and shall not be disclosed outside the recipient's organization and shall not be duplicated, used, or disclosed, in whole or in part, for any purpose other than to evaluate this proposal. However, if a contract is awarded to this offeror as a result of, or in connection with, the submission of these data, the recipient shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the recipient's right to use information contained in these data if they are obtained from another source without restriction. The data subject to this restriction are contained in specified pages/sheets herein.

This proposal does not constitute a contract to perform services and cannot be used to award a unilateral agreement. Final acceptance of this engagement by Guidehouse is contingent upon successful completion of Guidehouse's acceptance procedures. Any engagement arising out of this proposal will be subject to negotiation of a mutually satisfactory engagement contract including modifications to certain RFP terms and conditions and including our standard terms and conditions and fees and billing rates established therein.



December 22, 2020

Clarissa Belton
South Carolina Department of Commerce
1201 Main Street, Suite 1600
Columbia, SC 29201

**Subject: Volume I – Response to Request for Qualifications | Request for Qualifications
Community Development Block Grant Program Coronavirus Response
(CDBG-CV)**

Dear Ms. Belton:

As a committed partner to the State of South Carolina, Guidehouse Inc. is pleased to submit our proposal for Professional Grant Administration Services of funds received through the 'Coronavirus Aid, Relief, and Economic Security Act' (CARES Act) for Community Development Block Grant Program Coronavirus Response (CDBG-CV). Our response is composed of a Response to Request for Qualifications and a pricing proposal.

Guidehouse is proud of our work in support of the people of South Carolina. We have been closely involved with the State's disaster recovery effort since June of 2020 as a partner with the Department of Administration. Our team leads the administration of nearly \$2.0 Billion in federal funds, including assistance to municipal governments, small businesses, hospitals, and nonprofits – helping each and every one of South Carolina's 46 counties. It is truly an honor to be given another opportunity to serve the Palmetto State through this CDBG-CV program.

In addition to our experience working with South Carolina, Guidehouse is a national leader in Community Development Block Grant (CDBG) Administration. For decades, our firm has stood with State and Local governments across the country at the outset of some of their most trying times. Communities such as Harris County, Texas in the wake of Hurricane Harvey, New York State in the wake of Superstorm Sandy, and the City of Joplin, Missouri in the wake of the deadliest tornado in American history have all called upon Guidehouse to administer CDBG funds. This year alone, Guidehouse has served dozens of States, Counties, and Cities across the United States administering the same grants that Department of Commerce now seeks assistance with.

Guidehouse appreciates the opportunity to be considered for this important project and if selected, will provide State of South Carolina with a team of professionals committed to your success. If you have any questions about our proposal, please contact Manager – Contracts, Michael Schulien, at (703) 409-7112 or me at (773) 255-5890.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Tosh", with a stylized flourish at the end.

Michael Tosh
Partner

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1.0 Respondent’s Qualifications and Experience

1.1 Company’s Qualifications

Guidehouse brings significant experience in working with the federal, states and local governments in the areas of disaster recovery grants management, project management, stakeholder engagement and compliance and monitoring (**Figure 1**). We have supported clients on the entire range of CARES Act and CDBG-related funding. We approach grants administration by prioritizing customer service, integrity, and efficiency while tailoring tools and processes to the unique circumstances of the client. Guidehouse has worked on a myriad of responses as evidenced by our deep list of qualifications reinforced most recently and broadly by our work across the U.S. with partner governments on the COVID-19 public health emergency.



Figure 1. Guidehouse Company Overview

Table 1 shows Guidehouse’s key qualifications.

Table 1. Key Qualifications





Governor’s Office of Storm Recovery – Program Management	
 Governor’s Office of Storm Recovery	Provide program management and integrity monitoring of CDBG-DR funding by supporting housing, infrastructure, small business, administration, operations, and compliance departments. Develop processes and procedures that maintained compliance with Federal and State regulations while serving as a trusted advisor to build resilient communities and municipalities throughout New York State. Support the State in program design, day-to-day operations, organizational assessments, and technology evaluations. Recently initiated planning, development, and implementation of closeout efforts.
City of Joplin, Missouri – EF5 Tornado Recovery Program Management	
	Manage and administer CDBG-DR funds following Enhanced Fujita (EF-5) strength tornado causing \$3 billion in damage. Review compliance of each project based on CDBG-DR requirements and assist with development of environmental assessments while providing grants, program, and records management for infrastructure and economic development projects.
Harris Health System, Texas – Hurricane Harvey Disaster Recovery Program Management	
	Collaborated with HHS executives to identify and maximize additional funding opportunities with CDBG-DR. Managed grant administration, project scope, documentation retention, progress tracking and financial oversight of FEMA Public Assistance Projects. Performed all tasks related to FEMA Public Assistance portal including responding to EEIs, uploading documents, completing applications, and other relevant tasks.
State of South Carolina – Grant Management Services and Oversight for CARES Act	
	Develop strategies for the State’s COVID-19 response and recovery by supporting grant administration, compliance oversight and audit-readiness. Establishing processes, policies, and procedures for the end-to-end grants management process which serve as business requirements for a tech-enabled grants management platform. Continually configuring, deploying, and iterating on a Salesforce solution to enable these processes and facilitate the tracking, management, monitoring, and reporting of expenditures and funding disbursements.

Table 2 shows Guidehouse’s additional qualifications.

Table 2. Additional Qualifications

Client	Project Title	Project Description
Harris Health System	COVID-19 Response Services	Provide project management and technical assistance focused on documentation management and maximizing grant funding. Support documentation gathering, appeals, procurement and status reporting while coordinating between HHS and relevant federal/state agencies. Project payment application/invoice reviews and reporting, and program close-out.
Massachusetts Emergency Management Agency	COVID-19 Response Services	Established a program management office to coordinate efforts among various stakeholders and maximize federal COVID-19 reimbursement. Provide project management and data management services for audit preparedness alongside trainings, relevant guidance and reporting.
City of Albuquerque, New Mexico	COVID-19 Disaster Response Services (Phase 2)	Guide the City on how best to use COVID-19 funds in conjunction with other funding sources, provide progress reports, and generate strategic plans. Perform audits and provide assurances for cost accounting activities to inform compliance
City of Detroit, Michigan	COVID-19 Disaster Response Services	Launched Program Management Office to advise city on FEMA funding, federal compliance, and progress reporting strategies. Provide oversight and audit services to ensure
City of New York	CDBG-DR & FEMA internal audit program	Developed internal audit program for three robust grant streams for the City’s Office of Management and Budget including \$4 billion in CDBG-DR funding for city agencies. Leveraged wide-ranging federal grant knowledge to provide operational and compliance oversight for all three federal funding streams and reported on process and internal control gaps.
State of New Jersey	CDBG-DR Small Business Recovery Support for Economic Development Authority	Assessed the client’s CDBG-DR application process and generated process improvement recommendations for the \$260 million in funds. Reviewed existing policies and procedures, utilized data analytics to identify trends and developed metrics to better understand performance gaps, make recommendations and create and application review guide.

While our experience supporting this type of project runs very broadly, we have tried to concisely describe our experiences and anticipated approach to the specific items outlined in the Scope of Work in the following pages.

1.1.1 Understanding the Requirements and Authorized Uses of the CARES Act CDBG-CV1 Funds

We understand that in this solicitation, South Carolina is looking for a partner who can most effectively support the implementation and administration of a CDBG-CV (PT1) program. While these services may require a wide variety of skillsets, one thing that remains consistent is that regardless of the type of CDBG grant, South Carolina is entering a new, critical phase of COVID-19 recovery. Our team blends deep understanding of both the CARES Act (based on our experience with over 50 clients) and a deep understanding of CDBG through our work supporting disaster recovery and many other projects.

1.1.2 Understand the Requirements of and Establish Policies and Procedures for Implementing and Overseeing the South Carolina CDBG-CV1 Program

Our firm’s guiding principle is building trust in society by solving complex problems. This defines who we are and is particularly relevant as we prepare for this opportunity to establish policies and procedures for South Carolina’s CDBG-CV1 Program. Our staff is knowledgeable on the current provisions related to recovery programs found in the Stafford Act, 44 Code of Federal Regulations (“CFR”), and 2 CFR, and keeps abreast of changes to relevant policies. Our team supports public sector entities involved in the delivery of large and complex programs. We will focus our energy on developing and executing effective policies and procedures to maximize recovery efforts and minimize risk.

1.1.3 Establish Procedures for Verification of Eligibility for Award and Expenditure

Our team’s approach and methodology for the verification of eligibility of expenditures is founded on the development of a strong case management and quality control process. Our approach leverages our long-term experience administering CDBG grants, and our team’s ever-growing knowledge and experience with COVID-19 related programs (**Figure 2**). Our team’s services will include, but are not limited to:

- Support of streamlined administration and operations of case management for the CDBG-CV1.
- Intake and eligibility determination for all applicants seeking financial assistance from the CDBG-CV program; all of our eligibility staff will be certified eligibility specialists.
- A grant management platform that is built to ensure all CDBG-CV1 submissions are reviewed effectively and efficiently.
- A process that adheres to the demands of South Carolina appeals process to provide documentable resolution of any applicant issues.
- Compliance monitoring and grant closeouts for all applicant and subgrantees in accordance with federal and state policies and procedures.

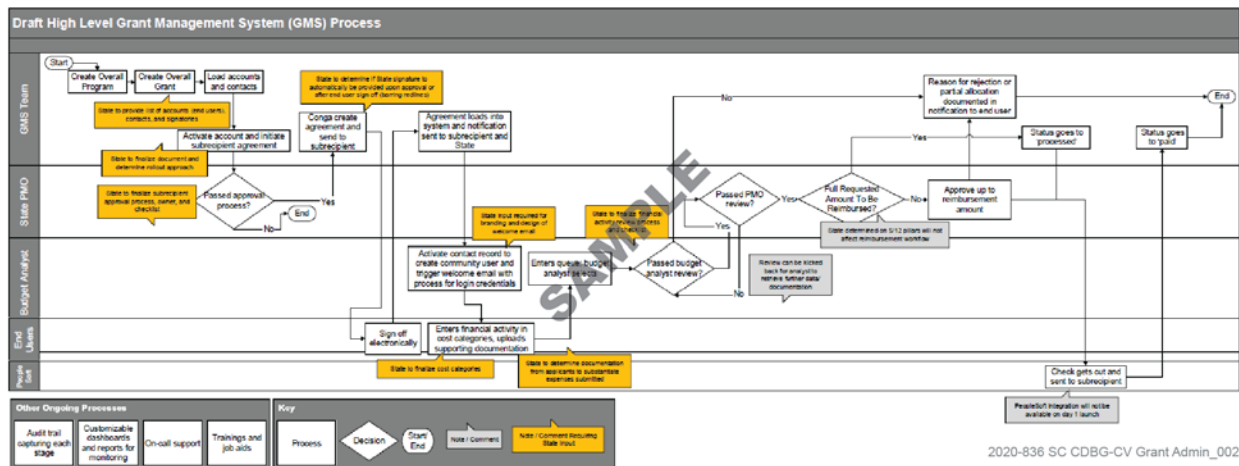


Figure 2. Draft High Level Grant Management System (GMS) Process

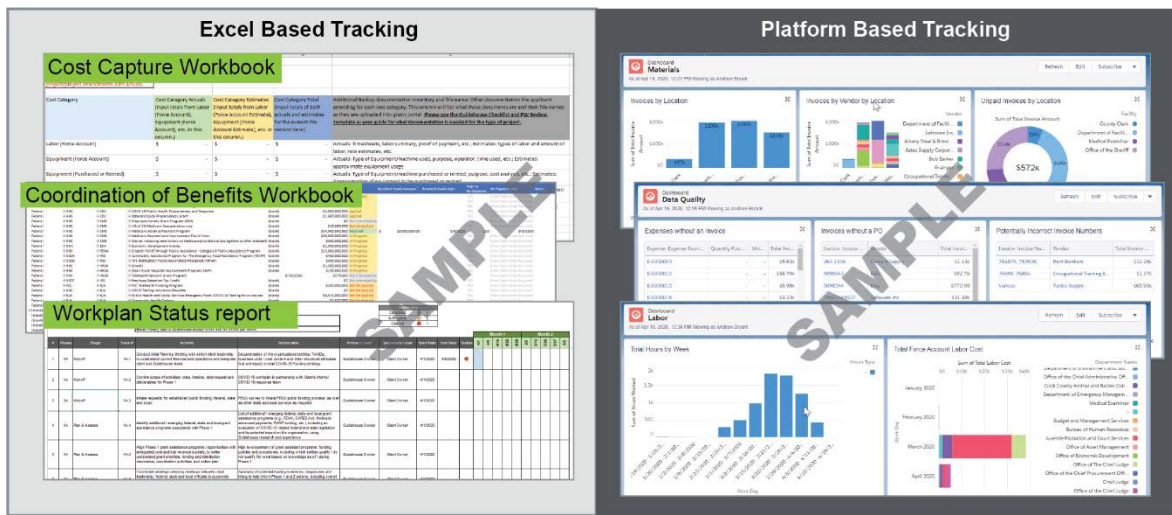
1.1.4 Design/Establish Final Application and/or Award

Our team will establish an application that allows for eligibility verification, award management, and management of grant and subrecipient agreements, and management of approval processes including the development of tracking and reporting mechanisms so the State can remain transparent with stakeholders.

1.1.5 Provide a Grant Management System

Guidehouse will bring tools that were developed specifically for CDBG grants management and which are already in place at the State level (**Figure 3**). This tool will ensure that the team is ready to expedite and manage the grants administration process from Day 1. Our solution creates a seamless user experience that incorporates considerations and workflows around eligibility, application procedures, fraud, waste, and abuse identification, and all forms of dashboards and reporting (the platform used for CDBG-CV1 can be accessed via web portal and would be accessible via mobile phone, enhancing its ease of use). Federal guidelines and checks are built

into the system to assist internal controls. We find it paramount to propose this solution that can be tailored to the State of South Carolina’s processes and systems because many long-term efficiencies and possible automations will be enabled by the technology.



2020-836 SC CDBG-CV Grant Admin_003

Figure 3. Tools that were Developed Specifically for CDBG Grants Management

1.1.6 Confirmation of Verification of Eligibility of Authorized Uses and Final Disbursement of CDBG-CV1 Funds or Other Awards of Proceeds

Based on the information gathered at regular project intervals, the team will conduct technical assistance as needed to help ensure compliance. The Guidehouse team will also provide an executive level reporting tool that will ensure the State and federal stakeholders can easily:

- Track the disbursement of funds to ensure compliance and that they are spent in a timely fashion.
- Identify any potential risks and mitigation strategies.
- Measure progress and ensure that federal grant dollars are not only going where they were intended but are also producing value and impact in the communities.

1.1.7 Coordinate with Federal and State Agencies

Based on our experiences with similar grant programs, we have learned about the importance of coordinating with a myriad of federal agencies. We have established good working relationships with federal and state agencies, including but not limited to, the U.S. Department of HUD, U.S. Department of the Treasury, and many others. Our experience has taught us the importance of coordinating a comprehensive document management program to address any questions these agencies may have and ensure that there are no claw-backs or de-obligations. We have found that it is essential to maintain accurate project files to maintain compliance with federal and state regulations and to provide critical data to help improve project execution. Our focus will continue to be on ensuring proper standards and protocols are maintained, so that when the time does come to address questions from outside agencies, the State is prepared to address them readily.

1.1.8 Provide for Fraud, Waste, and Abuse Identification, Reporting and Remediation

We can work with the applicable departments and stakeholders to create a Fraud and Waste Program for CDBG-CV. While receiving the funding is the first large hurdle, ensuring document control and process is the next hurdle. Not only does this ensure that the funds are used for the best way for the State of South Carolina, but a good program ensures that we have the best insight into any possible abuse or fraud. We understand the importance of this request and have the expertise and tools to create this program for you. With our national connections with COVID-19 projects around the country, we have a greater insight into possible risks and challenges, and areas requiring more caution and vigilance.

1.1.9 Assist the SCDOC and Representation to Any Federal or State Audit of CDBG-CV Funds

Guidehouse will deliver a user-friendly data platform to upload, organize, and centrally store all documents and data that is audit ready, and to provide a report dashboard for tracking and review. Our team of disaster recovery experts are providing technical assistance to track and submit COVID-19 costs and program documentation, identify and monitor funding opportunities, and perform data validation to ensure audit readiness. With our support, the State of South Carolina will be able to swiftly respond to any and all inquiries regarding the use of these funds.

1.1.10 Provide for Consolidated Financial Reporting

Our experience through supporting other disaster recovery subrecipients and grantees is that providing clear and transparent reporting – most importantly to state and federal agencies, but also to local officials and constituents – is critical to maintaining compliance, transparency and accountability on disaster recovery programs. We will assist the State of South Carolina by conducting outreach to gather required information to complete all reporting requirements for CDBG-CV1 funds, as well as for information required for reporting to other relevant governmental entities. We understand the process and reporting necessary for key requests throughout the lifecycle of awards made by the programs.

1.1.11 Establish Appeal Procedure Regarding any Disputes Regarding Amounts Awarded, Funds Drawn, Contractors and Subrecipients Involved in Project Delivery and a Process for Evaluation for Final Determination

Our team has supported our clients through multiple appeals, waivers, and informational letters related to their recovery programs. Due to our team’s historical knowledge and understanding of local government recovery programs and projects, supporting the State with waivers and written appeals on decisions or actions made by federal and state agencies across all funding sources will be an important part of supporting your recovery efforts. We will bring the right experts to the table at the right time to support with written appeals and waivers, as needed. We will always be conscious of mandated timeframes by U.S. Treasury, HHS, FEMA, HUD, CDC, and other agencies, and will build in the necessary review time of written appeals for State departmental leadership.

1.1.12 Provide Bi-Weekly Status Reports

We collaborate with stakeholders to establish standards for engagement progress reporting including metrics, frequency, and format. Our framework for reporting is structured to inform progress against financial performance goals by outline what has been completed, what is in-progress and what impediments remain to success, and what will be completed. We develop our status reports with an impact-oriented approach by including identification of key risks, actions, and issues to foster discussion of potential mitigation options and register on key programmatic milestones.

1.1.13 Process for Review and any Subsequent Reporting Required by the CDBG-CV Funds; Provide All Necessary Reporting

Our experience through supporting other disaster recovery subrecipients and grantees is that providing clear and transparent reporting – most importantly to state and federal agencies, but also to local officials and constituents – is critical to maintaining compliance, transparency and accountability on disaster recovery programs. We understand the procedural complexities of the CDBG-CV reporting and setup programmatic-level internal controls to verify and validate data.

1.1.14 Provide for the Review of All Financial Audits Pertaining to these Funds for Both Grant Recipients and Sub-Recipients and the Reporting of any Material Findings or Financial Irregularities



Guidehouse will review information on the State’s compliance with federal policies and laws and provide recommendations to improve compliance and mitigate the risk of audit findings. Our team of experts will continue to help ensure adherence not only to the State’s requirements, but also to all applicable local and federal requirements, except to the extent that these are inconsistent with federal statutes, regulations, or grant conditions. We will provide support for any audit that arise and facilitate in reviewing any reporting necessitated by material findings or financial irregularities.

1.1.15 Key Personnel Qualifications and Experiences

Guidehouse and its partner Nan McKay are recognized leaders in the federal, state, and local government sector in providing unparalleled services in the areas of emergency planning, response and grant management. We have thousands of practitioners with relevant experience delivering grant management and programs across government emergency management agencies. Guidehouse has a proven track record of successful, transformative experiences and deployment of large-scale grant management solutions across emergency management government agencies, such as the State of Vermont, the Massachusetts Emergency Management Agency (MEMA), as well as other state and local government organizations and federal agencies. Guidehouse and its partners (**Table 3**) have selected individuals for our team because of their expertise in disaster recovery needs assessments and federal and state grants management for disaster programs including FEMA PA, HUD CDBG-DR, FHWA/FTA, and COVID-19 legislation from eligibility determination to compliance monitoring. We leverage an array of subject matter specialists, well-equipped in administrating grants for program implementation and overseeing funds received. Each member of our team has experience successfully providing disaster recovery services of similar nature, quality, and complexity, which the State of South Carolina requires, and is highly qualified to help you. We are committed to bringing a team that you can quickly develop a rapport of trust with, a team that will be easy to work with, and a team that will stand side-by-side with you until the successful

conclusion of the program. While working with members of our team, you will find the intangibles of a quality engagement—personal attention, proactive value-added services, fast and accurate responses to questions and frequent and ongoing communication. In the interest of brevity, we have only included our team’s relevant experiences in their resumes.

Table 3. Teaming Partners: Expertise & Highlights

Description	
 <p>Nan McKay & Associates, Inc. Based in California with regional offices across the country, Nan McKay & Associates (NMA) brings a wealth of housing related grants management skills as well as deep CDBG program design and implementation experience. NMA has been a leader for over 37 years in providing professional services to public agencies, state, and local jurisdictions. NMA is well known for its ability to interpret/apply the various regulations for housing and redevelopment programs, including CDBG-CV, CDBG-DR, NSP, HOME, ESG, HOPWA, and ARRA.</p>	
 <p>Coastal Cloud, LLC. Coastal Cloud is a certified woman owned full lifecycle information technology design, consulting, and implementation partner. Encompassing deep Software as a Service, Platform as a Service, and industry related skills, we leverage a high touch on-shore only team, nimble client service model and a network of solution centers to tailor and deploy the latest in cloud-based computer technology. Our team holds over 695 certifications, has earned over 6,785 clients and completed over 2,500 projects across 12 core industries (including public sector.) Through this innovative delivery model, we are currently doing business across 35 states and four countries.</p>	

1.1.15.1 Organizational Chart

Figure 4 shows Guidehouse’s organizational chart.

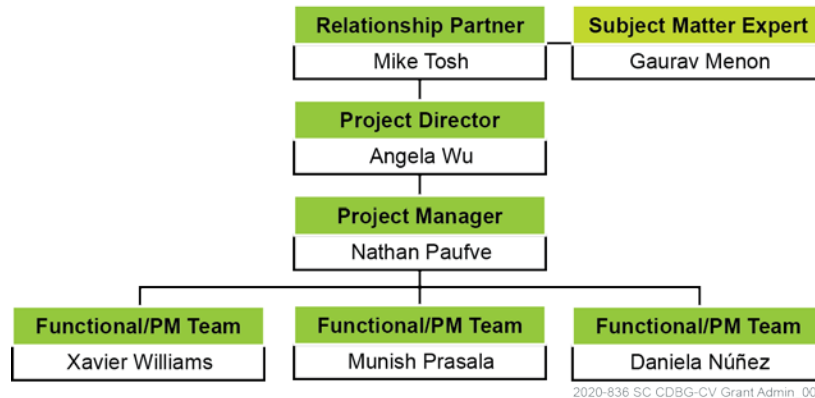


Figure 4. Organizational Chart

1.1.15.2 Resumes

1.1.15.2.1 Michael Tosh, Relationship Partner

Name	Michael Tosh
Proposed Position	Relationship Partner
Degree/Education	B.S., Industrial Engineering, Purdue University
Total Years of Experience	22 Years
Summary of Qualifications	
Mr. Tosh is a Partner within Guidehouse’s State and Local Government practice with more than 20 years of experience helping companies and governments develop innovative strategies to achieve improvements in performance. Mr. Tosh serves as the SLG Tech Competency leader throughout the country. A skilled individual in the technology and business fields with a proven track record of enabling strategic business initiatives through effective technology-based solutions. Mr. Tosh is an attested leader with strong project/program management, delivery and architecture skills. In addition to his work with Public Sector, Mr. Tosh has broad experience in delivering technology projects including ERP and CRM solutions across multiple industries.	
Relevant Experience	
<ul style="list-style-type: none"> For a Southern State, Mr. Tosh is the lead engagement partner to provide COVID-19 Grants Management Services; Provides oversight to the team defining the end to end CARES Act grants management operating model and standing up the Salesforce based platform to execute upon the States operating model. Mr. Tosh is engaged with the program sponsor and other legislative stakeholders to ensure that the needs of the state, subrecipients and public are met. 	

Name	Michael Tosh
<ul style="list-style-type: none"> For the State of Michigan, Mr. Tosh led the PMO creation, standup and execution for the State Supreme Court's statewide eFiling implementation. In collaboration with the client, Mr. Tosh's work will help the state of Michigan to reduce costs and enhance overall operational efficiency of the court systems through electronic receipt, processing, storage, and retrieval of records. The system will also provide a consistent user experience across all jurisdictions and case types and will improve the information exchange and accessibility for the Michigan court system and the citizens it serves 	

1.1.15.2.2 Gaurav Menon, Subject Matter Expert

Name	Gaurav Menon
Proposed Position	Subject Matter Expert
Degree/Education	B.S., Architectural Engineering, Drexel University
Total Years of Experience	18+ Years
Summary of Qualifications	
<p>Mr. Menon is a Partner in Guidehouse’s CP&I services and leads the CP&I Infrastructure Resilience & Recovery business in the state and local markets. With more than 18 years of professional services experience, Mr. Menon specializes in supporting public and private sector entities involved in the delivery of large and complex grant programs, with a focus on long-term community development and capital asset rebuilding strategies. Mr. Menon has been involved in grants management work in Puerto Rico, Louisiana, Colorado, Texas, New York, Missouri, Japan, and Indonesia. His focus is in dealing with federal grants including HUD CDBG, FEMA PA, FEMA Hazard HM, and FHWA grants. Mr. Menon has advised clients in both the public and commercial sectors on project management oversight, governance assessments, investigations, risk assessments, contract reviews, policies and procedures enhancements, and management controls.</p>	
Relevant Experience	
<ul style="list-style-type: none"> For Harris County, Mr. Menon is leading a team in assisting the County with the strategy around disaster recovery and grants management administration pertaining to Hurricane Harvey. Guidehouse has provided guidance to several departments within the County, which is expecting to receive over \$1B in federal funding, including The Community Services Department, Engineering Department, Purchasing Department, Auditors Office, Sheriff’s Department, Fire Marshall’s Office, and the Parks Department. For the City of Joplin, led the HUD CDBG compliance monitoring, oversight and eligibility reviews for infrastructure, housing, and community development projects undertaken by the City in recovery from the EF-5 strength tornado. Mr. Menon supported the City through developing a long-term recovery strategy and capital plan, reviewed Environmental Assessments to assess potential environmental hazards and risks, suggested mitigation measures for unavoidable impacts, and monitored compliance with various State and Federal agency requirements. 	

1.1.15.2.3 Angela Wu, Project Director

Name	Angela Wu
Proposed Position	Project Director
Degree/Education	<ul style="list-style-type: none"> MBA, Yale School of Management MEM, Yale School of Forestry and Environmental Studies BA, History of Art and Architecture, Harvard College
Total Years of Experience	11+ Years
Summary of Qualifications	
<p>Ms.Wu has more than 11 years of industry experience in local government and project management. As a Manager in Guidehouse’s State and Local Government practice, she provides project management, risk management & regulatory compliance, and implementation expertise. Having worked at both the city and state levels, Ms.Wu understands the challenges and opportunities faced by state and local clients.</p>	
Relevant Experience	
<ul style="list-style-type: none"> For the State of New York, Ms.Wu leads a team to perform program management, operations support, and integrity monitoring services for the State's Superstorm Sandy response. She oversees multiple workstreams that support the office in administering the CDBG-DR program, working across multiple Programs (including Community Reconstruction & Infrastructure, Housing, FEMA PA Match) and support functions (including Monitoring and Compliance and IT Departments) to develop policies, processes, tools and systems to assist with program/project management and maintain compliance with Federal regulatory requirements while prioritizing efficiency and customer service. For Harris County, Ms.Wu led the development and design of a monitoring & compliance plan for the county's disaster recovery efforts post Hurricane Harvey across four federal grant streams: Federal Emergency Management Agency (FEMA) Public Assistance (PA); FEMA Hazard Mitigation Grant Program (HMGP); Department of Housing and Urban Development (HUD) Community Development Block Grant – Disaster Recovery (CDBG-DR); and the Federal Highway Administration (FHWA) Emergency Relief (ER) Program. Ms.Wu also provided technical assistance on ensuring compliance with federal procurement requirements. 	

1.1.15.2.4 Nathan Paufve, Project Manager

Name	Nathan Paufve
Proposed Position	Project Manager
Degree/Education	<ul style="list-style-type: none"> • M.A., Public Policy, University of Chicago • B.A., Psychology, North Central College
Total Years of Experience	13 Years
Summary of Qualifications	
<p>Mr. Paufve is a Consulting Manager in Nan McKay and Associates’ Professional Services practice and is a certified Project Management Professional (PMP) with expertise in program design and implementation, strategic planning, grants management and administration, regulatory compliance and monitoring, risk assessment and internal controls, program and project management, process improvement, workflow mapping and design, and measuring performance. He specializes in working collaboratively with federal, state, and local entities to develop and implement grant funded programs that address strategic disaster recovery, resiliency, social vulnerability, housing, and economic development.</p>	
Relevant Experience	
<ul style="list-style-type: none"> • For Harris County, Mr. Paufve, in support of the Guidehouse team, is assisting with programming related to Harris County’s COVID-19 Relief funding and related grants. In addition to legislative analyses, technical assistance, and program development, Mr. Paufve has assisted with the identification of non-profit partners to act as program administrators, for various COVID related recovery programs. Mr. Paufve has established compliance and monitoring structures for both the Small Business Relief Program, and the Rental Assistance Program. Mr. Paufve has also developed compliance and monitoring checklists, testing checklists, and monitoring reporting dashboards for review of the Small Business Relief Program and conducted initial risk review of subrecipient administrator • For the State of South Carolina, as a subject matter expert, Mr. Paufve identifies funding and eligibility requirements of federal funding available in response to COVID-19 and develop strategy for State of South Carolina’s response using a current state assessment and prioritization based on funding. In addition, Mr. Paufve establishes the policies, procedures, and documentation for the end-to end grants management process and provides as-needed technical assistance and training on federal regulatory compliance. 	

1.1.15.2.5 Xavier Williams, Functional Workstream Consultant

Name	Xavier Williams
Proposed Position	Functional Workstream Consultant
Degree/Education	<ul style="list-style-type: none"> • M.A. Theories of Urban Practice, The New School, Parsons Graduate School of Design Strategies • BA, Political Science, Swarthmore College
Total Years of Experience	6+ Years
Summary of Qualifications	
<p>As a certified Project Management Professional, Mr. Williams has over 6 years of experience working in or with state and local governments providing services for a combination of high-profile and internal operations projects. This includes more than 3 years spent working directly on the implementation of a federally funded multi-billion-dollar disaster recovery program, at both the programmatic- and project management-levels across a portfolio of more than 300 natural disaster resiliency projects. Over a year of municipal government experience includes coordinating multiple capital planning efficiency improvements within a Public Works Department, through in-depth business process analysis and stakeholder management.</p>	
Relevant Experience	
<ul style="list-style-type: none"> • For the Massachusetts Department of Emergency Management (MEMA), Mr. Williams is assisting the department with the submission of various applications to FEMA’s Public Assistance program for the reimbursements of emergency protective measures in response to COVID-19. This work spans a range of eligible activity types under FEMA’s Category B reimbursement program, including PPE, Alternative Care Sites, and significant labor costs. • For Harris County, Texas, Mr. Williams assisted with the rollout of several key program documents supporting the County’s management of various disaster recovery housing assistance programs, including Single- and Multi-family (Affordable Rental), and buyouts using federal funds. He helped develop the strategy for the County to oversee compliance with Federal, State, and local regulations as part of CDBG-DR grant management, including Section 3 and M/WBE. • For the Mid-Michigan Health Network, Mr. Williams served as the FEMA Public Assistance (PA) Subject Matter Expert. He assisted multiple U.S. healthcare systems responsible for the health and safety of populations infected by or vulnerable to the COVID-19 pandemic, and tracked, gathered, and submitted to FEMA the complete documentation necessary to receive reimbursement for high-dollar expenditures. 	

1.1.15.2.6 Munish Prasala, Functional Workstream Consultant

Name	Munish Prasala
Proposed Position	Functional Workstream Consultant
Degree/Education	<ul style="list-style-type: none"> • B.A. International Studies – Commerce, Texas A&M University

Name	Munish Prasala
Total Years of Experience	2+ Years
Summary of Qualifications	
Mr. Prasala is a Consultant within Guidehouse’s US State and Local Government practice. Although he has been in the workforce for a year, Mr. Prasala has a strong background in business and economics coupled with a variety of technical skills allowing him to apply his knowledge towards solving almost any organizational problem he is confronted with. He has been applying these skills in his most recent work in administering a FEMA PA Grant Program as a result of Hurricane Harvey.	
Relevant Experience	
<ul style="list-style-type: none"> For Harris County, Mr. Prasala is assisting on a team supporting and administering a FEMA PA Grant Program as a result of Hurricane Harvey. The team is responsible for consolidating projects' expenses and procurement documentation to create narratives on work performed and reviewing ongoing procurement activities for compliance with federal regulations. Munish also has submitted projects and associated required documentation for reimbursement through the FEMA PA Grants Portal. He has provided and implemented streamline best practices to ensure projects receive approval from the FEMA Program Delivery Managers. For Harris Health System, Mr. Prasala is assisting with the FEMA Public Assistance program administration efforts for their Hurricane Harvey recovery projects. Munish works with the System, FEMA, and TDEM to identify and document eligible damages, develop and review cost and scope documentation, and organize documents on the FEMA Grants Portal. Mr. Prasala is also assisting Harris Health with its reimbursement requests and project closeouts. 	

1.1.15.2.7 Daniela Núñez, Functional Workstream Consultant

Name	Daniela Núñez
Proposed Position	Functional Workstream Consultant
Degree/Education	<ul style="list-style-type: none"> B.A. International Studies – Commerce, Texas A&M University
Total Years of Experience	2+ Years
Summary of Qualifications	
Ms. Núñez is a consultant with Nan McKay & Associates (NMA). Ms. Núñez has worked on the creation of CDBG-DR funded housing programs in various municipalities. Most recently Ms. Núñez was working in the Midwest focusing on compliance monitoring and close-out for CDBG-DR funded projects. Mr. Núñez has worked on projects across the country including, the Midwest, Texas, and Puerto Rico providing grant administration, technical assistance, and training materials to CDBG-DR grantees. She is a strong leader who is experienced in procurement, HUD regulations, grant administration and disaster recovery.	
Relevant Experience	
<ul style="list-style-type: none"> For the City of Joplin, Ms. Núñez manages, defines, plans, and executes all aspects of a project lifecycle. Daniela has helped with creating the Joplin Homebuyer Assistance Program which has provided over \$13 million in DR assistance to approximately 500 families in an expedited timeframe. Ms. Núñez also currently provides support for the on-going monitoring and manages all related technical programmatic issues and specializes in regulatory compliance as it relates to both infrastructure and affordable housing. In addition, Ms. Núñez conducts the compliance monitoring and technical assistance for both subrecipient and city projects and creates technical assistance materials and training workshops for grantee and subrecipient staff and contractors. For Harris County, Ms. Núñez provides project supports for the creation of nine housing programs that benefit low- and moderate-income individuals including: temporary housing, down payment assistance, residential buy-out, and rehabilitation reconstruction. Ms. Núñez assists with the development of resiliency programming for infrastructure, housing, and economic development for the county through the creation of a commercial buyout program. In addition, Daniela facilitates grant startup activities including action plan development, program design, development of program guidelines and standard operating procedures. 	

1.2 Company Information and History

Guidehouse LLP (“Guidehouse”) is a Delaware limited liability partnership that offers management advisory services to government and multilateral clients. Guidehouse was formed on August 28, 2014 and is the successor in interest to PricewaterhouseCoopers LLP’s (“PwC LLP”) public sector business that was transferred to Guidehouse on January 1, 2015 as part of an internal reorganization. Prior to being named Guidehouse LLP, the entity was called PricewaterhouseCoopers Public Sector LLP. Guidehouse is a national leader in advisory services consulting to the public sector with a strong history of supporting U.S. government agencies for more than 120 years. Headquartered in Washington, DC, Guidehouse has more than 8,000 professionals in over 50 locations worldwide. On October 11, 2019, Guidehouse Inc. completed

its previously announced acquisition of Navigant Consulting Inc. Guidehouse will support the State of South Carolina principally through its Washington DC office.

1.3 References

1.3.1 Reference #1: New York State Governor’s Office of Storm Recovery

Name	Emily Thompson
Title	Acting General Counsel, New York State Governor’s Office of Storm Recovery
Address	25 Beaver Street, 5th Floor, New York, NY 10004
Telephone Number	(917) 679-5240
Email Address	Emily.Thompson@stormrecovery.ny.gov

1.3.2 Reference #2: City of Joplin

Name	Troy Bolander
Title	Director of Planning, Development, & Neighborhood Services at City of Joplin, Missouri
Address	602 S Main Street, Joplin, MO 64801
Telephone Number	(417) 624-0820 x510
Email Address	tbolande@joplinmo.org

1.3.3 Reference #3: Harris County

Name	Shain Carrizal
Title	Sr. Director, Human Resources & Risk Management
Address	1310 Prairie, 2nd Floor, Houston, TX, 77002
Telephone Number	713-274-5525
Email Address	Shain.Carrizal@bmd.hctx.net

2.0 Respondent’s Ability to Perform

2.1 Current Financial Information

On October 11, 2019, Guidehouse LLP completed its previously announced acquisition of Navigant Consulting, Inc. (Navigant) and changed the name of Navigant to Guidehouse Inc. on the same date. As of January 1, 2020, Guidehouse LLP transferred its operating assets into its wholly owned subsidiary, Guidehouse Inc. Due to this acquisition, the combined company does not have 3 years of audited financial statements; however, the below financial resource statement has been developed to answer questions about our financial strength. Guidehouse has the necessary financial capacity, working capital, and other resources to perform this contract without assistance from any outside sources.

Figure 5 through **Figure 6** show Guidehouse’s current financial information.

1.0 Guidehouse Financial Resources Statement

1.1 Organization and nature of business

Guidehouse Holding Corporation (collectively with its subsidiaries, "Guidehouse" or the "Company") is a wholly owned subsidiary of Guidehouse Holdings LLC (the "Parent Entity"). Guidehouse Holdings LLC ("Holdings") is owned principally by investment fund entities affiliated with Veritas Capital ("Veritas") and by Guidehouse Management Holdings LLC ("Management Holdings"). Guidehouse was incorporated in the state of Delaware on February 8, 2018.

Guidehouse helps commercial and public clients address their most important challenges with innovative solutions that advance conventional thinking and create value for their stakeholders, build trust in society and shape a new future.

On May 1, 2018, Guidehouse acquired 100% of the equity interests (the "Transaction") in PricewaterhouseCoopers Public Sector LLP ("PwC Public Sector"). The Company had no operations prior to the Transaction and the Parent Entity has no operations other than its ownership of the Company.

On October 11, 2019, Guidehouse acquired 100% equity interest of Navigant Consulting, Inc. ("Navigant"). Navigant is a specialized, global professional services firm that primarily serves clients in the healthcare, energy and financial services industries across a range of advisory, consulting, outsourcing and technology/analytics services in the United States ("U.S.") and internationally.

Historically, Guidehouse's fiscal year ended on June 30. However, Guidehouse changed its fiscal year-end to December 31, beginning on December 31, 2019.

Guidehouse has offices in various cities within the U.S., Europe, the Middle East and Asia. Guidehouse's customers are primarily located in the United States ("U.S.") and are substantially comprised of major U.S. Government entities, as well as commercial clients including healthcare providers and payers, utility and energy companies, and financial institutions. Guidehouse derived approximately 56% of its revenues from the U.S. Government (including approximately 31% from the U.S. Department of Defense).

Guidehouse has the following subsidiaries: Guidehouse LLP, Guidehouse Holdings 2 LLC, Guidehouse Services LLC, Guidehouse International LLC, Guidehouse Tanzania LLC, Navigant Consulting, Inc., Navigant Cymetrix Corporation, Health Systems Solutions LLC and Navigant Europe Limited. The Company wholly owns these subsidiaries, except for Health Systems Solutions LLC, which the Company owns 60 percent financial and controlling interest of.

As a private company, our policy is to strictly refrain from issuing financial statements or any detailed financial information to external parties.

Guidehouse has the necessary financial capacity, working capital, and other resources to perform this contract without assistance from any outside sources.

1.2 Financial Statement Information

Guidehouse's total fee revenues, exclude any cost reimbursable amounts that are considered revenue for financial statement purposes but do not generate income for the business.

Guidehouse has a fiscal year of Jan - Dec.

- Year Ended December 31, 2019 - \$1.433 Billion

- Quarters Ended September 30, 2020 - \$1.150 Billion

The business generates positive cash and is very profitable on an EBITDA (Earnings before interest, tax, depreciation and amortization) basis. Guidehouse has had financial audits conducted in the following periods – Fiscal Year ended June 30, 2016, Fiscal Year ended June 30, 2017, an audit for the stub period May 1, 2018 – June 30, 2018 that represents the Veritas investment period for its fiscal year 2018, Fiscal Year ended June 30, 2019, and the stub period from July 1 2019 – December 31, 2019. After this stub period, Guidehouse will subsequently operate on a fiscal year from January through December. For evaluation purposes, interim (unaudited) financial statements for the third quarter of the fiscal year which began on January 1, 2020, are shown in Table 1, Table 2 and Table 3.

Table 1. Summary Balance Sheet

CY2020 – As of September 30, 2020 (in thousands & UnAudited)	
Assets	
<i>Current Assets</i>	
Cash & Cash Equivalents	291,442
Accounts Receivable	288,134
Prepaid and other assets	29,815
Total Current Assets	609,411
Property and equipment	73,986
Purchase intangible asset, net	333,526
Goodwill, net	812,274
Right of use Asset	88,142
<i>Other Non-current Assets</i>	13,079
Deferred debt financing costs, net	-
Total Assets	1,932,418
Liabilities & Equity	
<i>Current Liabilities</i>	
Accounts Payable	43,052
Accrued vacation, salaries, benefits and payroll taxes	156,067
Current portion of long term debt	6,037
Other current liabilities	49,330
Total Current Liabilities	254,511
Long-term debt, net of current portion	1,213,797
Other long-term liabilities	92,437
Total Liabilities	1,560,745
Equity	371,673
Total Liabilities & Equity	1,932,418

Table 2. Summary Consolidated Income Statement

CY2020 – Year to Date Through September 30, 2020 (in thousands & UnAudited)	
Net sales, adjusted	1,150,148
Cost of sales	800,483
Gross margin	349,665
Depreciation and Amortization	137,533
SG&A	205,042
Total Operating Expenses	342,575
Operating Income	7,090
% of Revenue	0.62%
Interest Income	(825)
Interest Expense	65,045
Income Tax	(792)
Income from non-controlling interest	8,002
Net Income	(56,337)
% of Revenue	-4.90%
EBITDA	144,623

Figure 5. Current Financial Information (1/2)

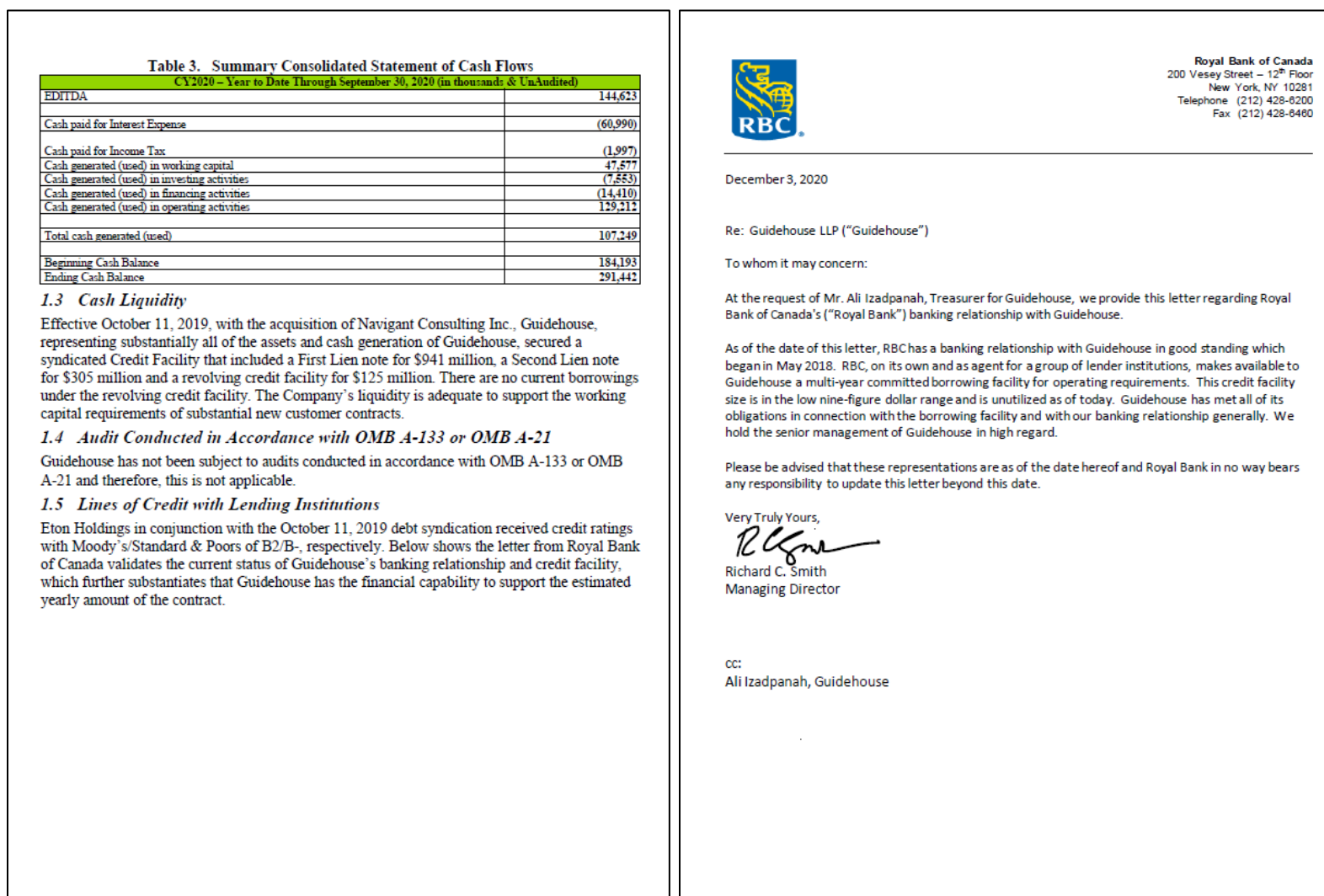


Figure 6. Current Financial Information (2/2)

2.2 Information Regarding Times When Guidehouse Has Defaulted on a Contract, or Where a Contract Has Been Canceled or Not Renewed Due to Alleged Fault of Guidehouse

Guidehouse has not been terminated for default.

2.3 Terminated Projects or Contracts

Each year, Guidehouse enters into hundreds of contracts in a wide variety of matters and for a wide range of clients, both governmental and commercial. Guidehouse does not have a central database containing information about these contracts. Given the large volume of work, contracts are undoubtedly terminated or not renewed from time to time for a wide variety of reasons, the vast majority of which have only to do with normal business reasons or necessities.

2.4 Information Regarding any Legal Action(s) (Including Current or Pending) against Guidehouse

We are a party to a variety of legal proceedings that arise in the normal course of our business. While the results of these legal proceedings cannot be predicted with certainty, we believe that the final outcome of these proceedings will not have a material adverse effect, individually or in the aggregate, on our results of operations or financial condition.

3.0 Guidehouse’s Fee Structure

Our overall fee structure for all areas in scope are summarized below. **With our recommended approach, we expect our total fees to be \$1,942,118 (approximately 15% of the funds awarded to South Carolina).** The details around individual components are listed in **Table 4.**

Table 4. Fee Structure Details

Line	Description	Year 1	Year 2	Year 3	Line Item Total
1	Professional fees for activities in PART 3 “SCOPE OF WORK”	\$821,140	\$529,524	\$369,444	\$1,720,108
2	Grants Management System Technology Solution in PART 3 “SCOPE OF WORK”	\$50,000	\$0	\$0	\$50,000
3	Travel Costs and Expenses (Not to exceed 10% of Professional Fees Line 1)	\$82,114	\$52,952	\$36,944	\$172,010
Per Annum		\$953,254	\$582,476	\$406,388	
Grand Total					\$1,942,118
Line Item 2:					
<ul style="list-style-type: none"> The Grants Management technology solution is based on Salesforce.com, Inc. The solution will use the existing Salesforce instance used by the South Carolina Department of Administration and Department of Commerce. Additional Salesforce end-user licensing fees may be required and is not included as part of this proposal. 					

guidehouse.com



State of South Carolina
Department of Commerce
Professional Grant Management
Services for Community
Development Block Grant Program
Coronavirus Response



January 6th, 2021

Agenda

#	Topic	Time
1	Introductions	10 mins
2	Our Approach to Disaster Recovery	10 mins
3	Grants Management System Demonstration	25 mins
4	Implementation, Experience, & Project Requirements	25 mins
5	Q&A	20 mins

With You Today

Introductions and brief overview of experience



Gaurav Menon, Partner
Guidehouse Disaster Recovery
COVID-19 Leader

Gaurav Menon specializes in supporting the delivery of large and complex disaster recovery programs, with a focus on response and long-term recovery strategies using federal grants including CDBG. Gaurav leads the firm's COVID-19 response nationally.



Michael Tosh, Partner
Guidehouse State & Local Leader

Michael Tosh serves as Guidehouse's State and Local Government technology competency leader. Michael has expertise in complex program management, including the delivery of grants management systems across multiple settings.



Catherine Ures, Vice President
Nan McKay Professional Services

Catherine Ures has over eighteen years of industry experience including ten years of CDBG engagement management. Catherine has expertise in strategic resilience, program management, and strategic planning.



Kajal Patel, Director
Guidehouse Disaster Recovery

Kajal Patel is a director in Guidehouse's Capital Projects and Infrastructure segment with over seven years of industry experience. Kajal has led CDBG-DR and FEMA-PA recovery efforts across the US including the COVID-19 response.



Rebecca Beers, Director
Coastal Cloud Public Sector

Rebecca Beers has over twenty years of industry experience and helps lead Coastal Cloud's Public Sector team. She has extensive experience with economic development and grants management projects with public sector clients.



Nathan Paufve, Manager
Nan McKay Professional Services

Nathan has over ten years of industry experience and over seven years of CDBG-DR experience. Nathan specializes in operations, strategic planning, and regulatory compliance.

The Guidehouse Team & Partners

Recognized government sector, emergency planning, and technology leaders



- Guidehouse is a full-service consulting firm with public and commercial sector clients across industries and service offerings
- Supports clients on the entire range of CARES Act, FEMA, and CDBG-related funding priorities and programs to respond to the Coronavirus public health emergency
- Engaged on over 50 Coronavirus strategy and grants management response projects



- Nan McKay & Associates (NMA) brings a wealth of housing related grants management skills as well as deep CDBG program design and implementation experience
- 40-year-old woman-owned business with Section 3 business concern providing professional services to public agencies
- Well known for work on CDBG-CV, CDBG-DR, NSP, HOME, ESG, HOPWA, and ARRA



- Coastal Cloud, LLC is a certified woman owned full lifecycle information technology design, consulting, and implementation partner
- Leverage a high touch on-shore only team, nimble client service model and a network of solution centers to tailor and deploy the latest in cloud-based computer technology
- Team holds over 695 certifications, has earned over 6,785 clients and completed over 2,500 projects across 12 industries including the public sector

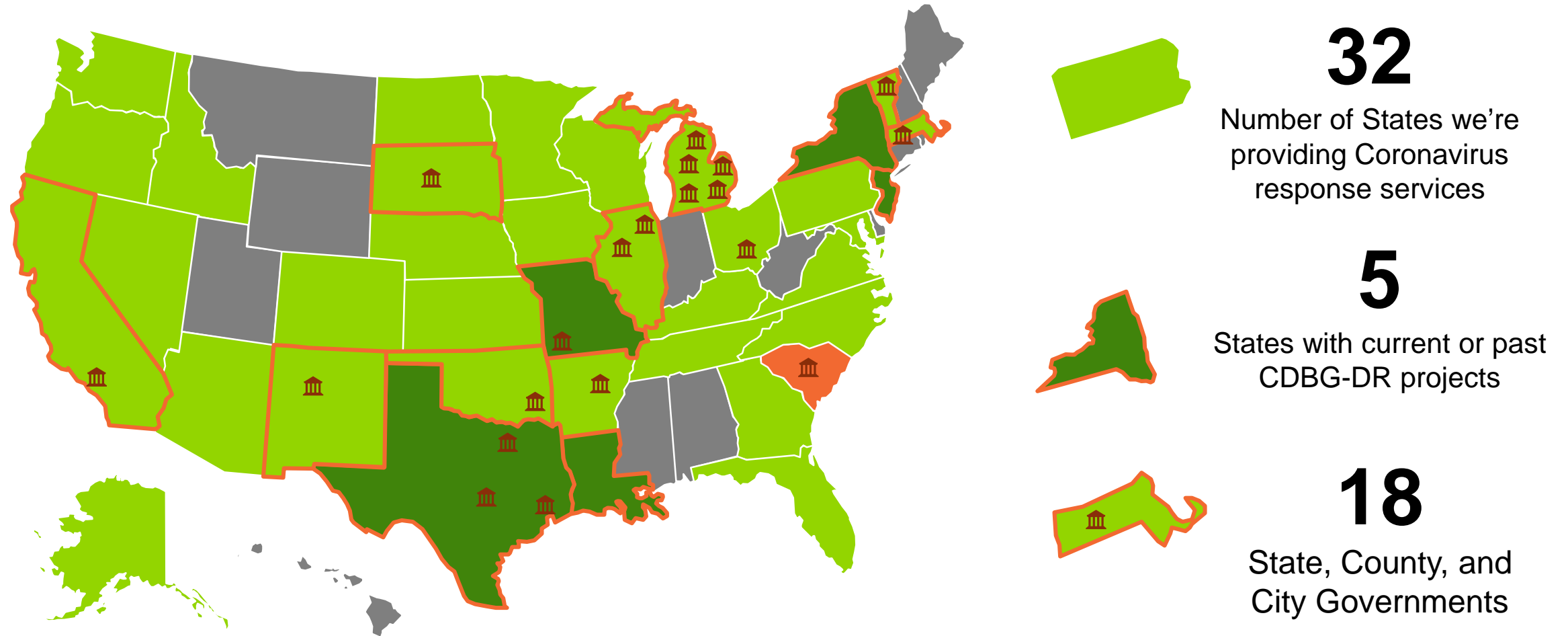
South Carolina's Interview Guidance & Requests

SC has requested that our team presents our approach and address the following

1. Demonstration of our proposed Grant Management System
2. Procedures we will use to meet the project timeline
3. Staffing structure and past experience with consultants listed in our submittal and projects we've worked on together
4. Demonstration of our ability to develop and work within a fee structure that is based on performance deliverables
5. Acknowledgement that this work is paid by a Federal Grant and our ability to comply with Federal Guidelines

Our Current Coronavirus Response Work

Bringing perspectives from across the country to support South Carolina



Our approach to administering CDBG Funding

Focused on outreach, customer service, monitoring and compliance

Program Initiation & Intake

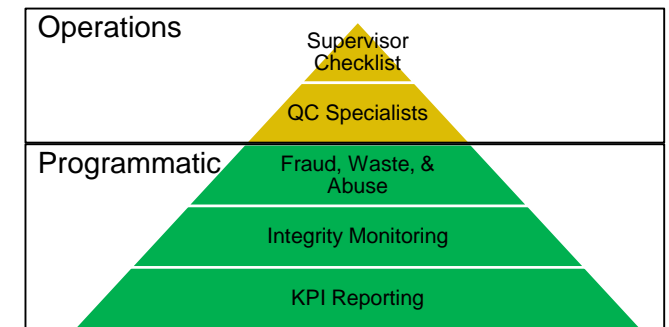
Application Preparation, Technical Assistance, Eligibility Verification

Quality Control & Closeout

- Workshop and finalize eligibility criteria / intake process
- Establish remotely accessible intake units
- Launch Call Center Assistance and support procedures, as needed

- Eligibility Assistance
 - One-on-one consultations to answer intake questions and provide application and eligibility support from specialists
- Verification of Eligibility
 - Support of streamlined administration and operations of case management for CDBG-CV
 - Platform ensures all CDBG-CV submissions are reviewed effectively and efficiently
 - Adherence to the specifications of South Carolina appeals process and provide documentable resolution of any issues
- Compliance monitoring and grant closeouts for all applicant and subgrantees in accordance with federal and state regulations

- Use standardized document management with secure transfer of all PII
- Transfer audit-ready documents and files
- Leverage two-fold operational and programmatic tools, personnel, and methodology for quality assurance



Value

Systematic approach to verifying eligibility, avoiding de-obligation and ensuring compliance

Overview of Selection Committee Requests

Focused not only on what we will do but how and why we will do it

1

Grant Management System

- **Consolidated grant tracking** to ensure you have a stable, compliant grant tracking mechanism
- **Documentation and decision** repository to create and establish audit trail for reasonableness

2

Project Approach and Procedures

- **Unified approach** to program management that binds the public and private sectors together
- **Provide reporting and risk monitoring** to ensure compliance, transparency, and accountability

3

Staffing Structure and Experience

- **Deep expertise and experience** working with federal, state, and local governments on Coronavirus response
- **Responsive team structure** that prioritizes customer service, quality, and efficiency

4

Performance-based Fee Structure

- **Collaborative approach** to determine and finalize performance deliverables
- **Phased methodology** for delivering key tasks throughout the grants management lifecycle

5

Federal Compliance and Integrity Monitoring

- **Common sense compliance program** to foster speed of spending while mitigating risks
- **Coordination of benefits** to maximize funding and avoid duplication of benefits and audit issues

Request 1: Effective Grants Management System

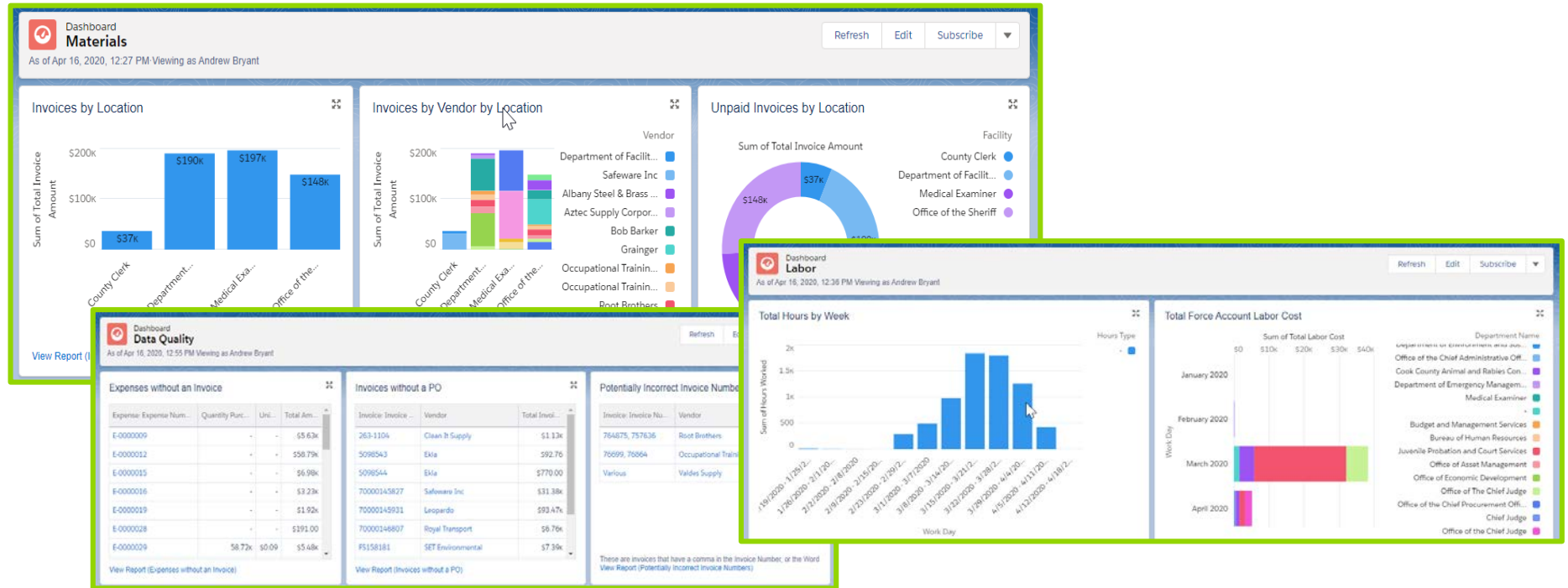
Managing grants tracking and reporting

1

Grant Management System

- **Consolidated grant tracking** to ensure you have a stable, compliant grant tracking mechanism
- **Documentation and decision repository** to create and establish audit trail for reasonableness

Salesforce Based Grants Tracking



Value

Robust grants management system with reports, workflows and documentation repository

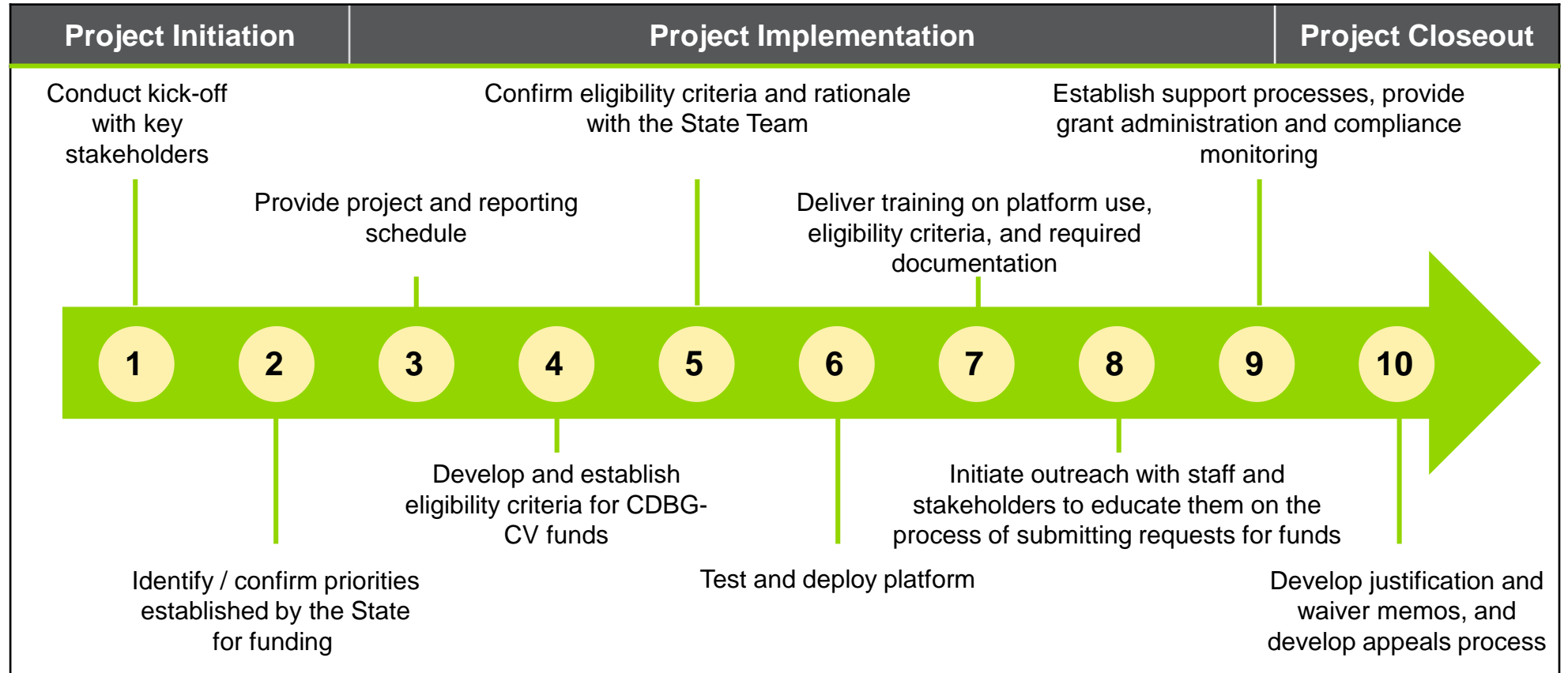
Request 2: Project Management Practices

Proven procedures to meet the project timeline and set up engagement for success

2

Project Approach and Procedures

- **Unified approach** to program management that binds the public and private sectors together
- **Provide reporting and risk monitoring** to ensure compliance, transparency, and accountability



Value

Strategic approach to defining processes including justifications, appeals, and waivers

Request 3: Our Experience

Experienced personnel leading and standing up state-wide recovery organizations

3

Staffing Structure and Experience

- **Deep expertise and experience** working with federal, state, and local governments on Coronavirus response
- **Responsive team structure** that prioritizes customer service, quality, and efficiency



Governor's Office of Storm Recovery



- Provided program management and integrity monitoring of CDBG-DR funding by supporting housing, infrastructure, small business, administration, operations, and compliance departments
- Developed processes and procedures that maintained compliance with relevant regulations
- Supported the State in program design, day-to-day operations, organizational assessments, technology evaluations and recently initiated planning and implementation of closeout efforts
- Managed and administered CDBG-DR funds following Enhanced Fujita (EF-5) strength tornado causing \$3 billion in damage, including to 553 business and 7,500 residential structures
- Reviewed compliance of each project based on CDBG-DR requirements
- Assisted with development of environmental assessments while providing grants, program, and records management for infrastructure and economic development projects
- Provided grant administration, project management, and financial oversight after Hurricane Harvey
- Reviewed compliance of each project based on CDBG-DR requirements
- Designed and implemented support for community housing, small business and economic development programs with elements of program administration, project management and financial services necessary to the success of each

Value

Deep CDBG and CARES Act Experience with an expansive team of certified support staff

Project Staffing Structure

Proposed Guidehouse Team

In addition to the staff presented today, the Guidehouse proposed team brings deep 'bench strength' and can increase or decrease resources as needed



Request 4: Performance-based Fee Structure

Demonstrated ability to deliver performance-based milestones

4

Performance-based Fee Structure

- **Collaborative approach** to determine and finalize performance deliverables
- **Phased methodology** for delivering key tasks throughout the grants management lifecycle

This schedule outlines the prospective breakdown of fee-driven milestones to be completed throughout the period of performance. Upon selection we will refine deliverable specifics and associated fees in collaboration with you.

Task	Deliverable
1	Capabilities Assessment & Strategy Formulation
2	Platform Implementation
3	Program Design
4	Funding Obligation
5	Funding Disbursement
6	Reporting & Monitoring
7	Ramp Down & Closeout

Value

Task-based schedule to deliver value throughout the project lifecycle

Request 5: Federal Compliance and Integrity Monitoring

Demonstrated ability to comply with federal funding guidelines

5

Federal Compliance and Integrity Monitoring

- Common sense compliance program to foster speed of spending while mitigating risks
- Coordination of benefits to maximize funding and avoid duplication of benefits and audit issues

Risk Analysis Framework

Identify Program Risks → Prioritize and Evaluate → Respond and Manage → Develop and Implement → Report

Illustrative Risk Scale

Risk Heat Map

Impact (1-5) vs Vulnerability (1-4)

Project List:

1. IET Summary
3. Jacobs Summary (Infra. Project 1)
15. Jacobs Summary (Infra. Project 2)
19. Anderson Summary
26. Streetscape - 20th Street
27. Streetscape - Main Street
28. Advanced Training Center - Phase 1
29. Advanced Training Center - Phase 2
30. Ingels Senior Center
31. Infrastructure - Trail Construction
32. Community Clinic of Ingels
33. Crossroads Community Center
34. Early Childhood Center
35. JPIA Improvements/Repairs
36. Public (Merry) Park
37. Sanitary Sewer Improvements
38. FEMA THU Education
39. JMAP
40. JMAP
41. JPIA Tenant Based RA
42. Senior Housing Improvement
43. JSD Mental Health Services
44. Juvenile Detention Center
45. Quark Mental Health Services
46. Crossroads Industrial Park - Phase 1
47. Crossroads Industrial Park - Phase 2
48. Duane Corridor
49. Design and LA Overlay
50. Utility Relocations

QuickBase Document Database

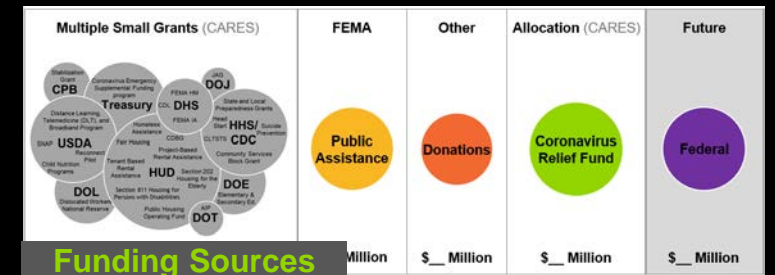
68 Document Types

Document Type	Document Category	Documents	Add Document	Document Category	Document Date
Proof of legal Responsibility	Scope Documentation	Documents	Add Document	Project Scope	X
Damage Assessment / Estimate	Scops Documentation	Documents	Add Document	Project Scops	X
Insurance Proceed	Scope Documentation	Documents	Add Document	Project Scope	X
Insurance Policy	Scope Documentation	Documents	Add Document	Project Scope	X
Site Inspection	Scops	Documents	Add Document	Project Scope	X

Document Review Checklist

Question	Location in the GIM	Note
What percent of the Category F work is complete at this street?	Damage Survey	If not complete, estimated date of completion?
Was the work performed in a designated area/zone/area?	Damage Survey, E1	
Does the Applicant have the legal responsibility to perform the work?	Damage Survey, E1	If facility is issued, obtain copy of the issue correspondence.
Is the facility under the authority of another Federal or recipient entity?	Damage Survey	
Was the facility actively used at the time of the event?	Damage Survey	
Was the facility being used for a purpose other than that for which it was designed?	Damage Survey	
Was the facility regularly maintained and can maintenance records be provided?	Damage Survey, E1	If yes, will it be restored to the same capacity if was being used for at the time of the disaster?
Was the facility under construction at the time of the event?	Damage Survey, E1	If no, specify the facility and describe the status of the construction contract.
Were any facilities scheduled for replacement?	Damage Survey	If yes, when?
Is all work described in the Damage Inventory the result of the declared disaster?	Damage Survey, E1	If yes, can applicant provide photographs of the damages and documentation supporting post-disaster condition of the facility?
Were any facilities completely destroyed?	Damage Survey	Specify

Coordination of Benefits



Fund Mapping

COVID-19 Expenses for Top 11 Disps. in MA	Department	Coronavirus Relief Fund	FEMA	Other	Allocation (CARES)	Future
\$14,207,094	MASSA					
\$10,320,423	National Guard					
\$14,648,296	DOTSS					
\$10,990,487	Early Education & Care					
\$7,298,903	Dept. Capital Assets					
\$6,668,074	Dept. of Health & Senior Services					
\$4,308,816	Dept. of Housing & Community Dev.					
\$3,274,104	Dept. of Transportation					
\$3,063,298	Dept. of Unemployment Assistance					
\$2,490,811	Dept. of Correction					

Specific Initiatives, FEMA FA, BAL Relief Fund

Value

No significant findings or claw backs across 20+ years on federally funded projects

Q&A

