

State ARRA Inspection Checklist

The State ARRA Inspection Checklist helps States evaluate assistance recipient ongoing compliance with American Recovery and Reinvestment Act (ARRA) requirements. It should be filled out each time the State performs an onsite review or other inspection of a project after construction has started, and each copy should be dated and kept in the project file.

Section A (page 3) should be filled out at the State office prior to each inspection. Section B (pages 4-8) should be filled out during the onsite review, and may require a review of materials onsite, at the assistance recipient's office, or at the construction contractor's office.

A glossary of key terms (Page 2) and a reference guide with detailed information with guidelines on how to approach each item on the checklist (Pages 9-19) are also included. For more information on the requirements that this checklist covers, see:

For more information on the requirements that this checklist covers, see:

- United States Environmental Protection Agency CWSRF and DWSRF ARRA website:
<http://epa.gov/water/eparecovery/>
- National ARRA Handbook for borrowers:
<http://cwsrftraining.net/recovery/Handbook/index.html>
- National Davis-Bacon grant terms and conditions:
http://www.epa.gov/ogd/tc/State_Revolving_Funds.pdf

State ARRA Inspection Checklist Glossary

ARRA – American Recovery and Reinvestment Act of 2009, also referred to as “Recovery Act or “Stimulus”

Assistance recipient – any entity receiving assistance (loan or grant) from a Clean Water or Drinking Water State Revolving Fund

Buy American – Section 1605 of ARRA, which requires components brought to the construction site for incorporation into a project funding in whole or in part by ARRA to be American-made

Davis-Bacon – Section 1606 of ARRA, which requires laborers and mechanics employed on projects funding in whole or in part by ARRA to be paid at locally prevailing wages, as set by the US DOL

DOL – US Department of Labor, the Federal agency responsible for determining locally prevailing wage rates and otherwise enforcing Davis-Bacon provisions

EPA – US Environmental Protection Agency, the Federal agency which provides ARRA SRF funding to States

De Minimis – incidental components used in a construction project; generally miscellaneous and low cost; examples include nuts, bolts, other fasteners, tubing, gaskets, etc.; exempted from Buy American requirements under the National De Minimis waiver (see http://www.epa.gov/water/eparecovery/docs/2009_08_10_FR_Revised_De_Minimis.pdf)

Federal Register – official record of business of the US government; location where all Buy American waivers are made publicly available

Green Reserve – also referred to as Green Project Reserve, funds set aside by each state for efficiency, green stormwater, and environmentally innovative projects; 20% or more of the funds received by each state under ARRA

Substantial Transformation – Process by which one good is manufactured from one or several components with distinct properties; point at which a manufactured good is said to have been manufactured.

Substantial Transformation Examination – 3 question process used to determine whether a manufactured good is American-made (see http://epa.gov/water/eparecovery/docs/2009_09_25_BA_Q&As_Part1_Revised.pdf)

Waiver – exception to Buy American requirements granted by EPA, which allows foreign made goods to be used in projects funded in whole or in part by ARRA; can be National (apply to any project with a defined set of characteristics) or Project-specific (applies only to one project for a single component)

State ARRA Inspection Checklist

SECTION A - PRE-INSPECTION

Complete at State Office prior to inspection.

1. General Project Information

a. Assistance recipient name: _____

b. General project description: _____

c. Project location: _____

d. Project or loan number _____

e. Total project cost: _____ f. Total SRF funding amount: _____

g. ARRA total funding amount: _____ h. % of ARRA funds disbursed: _____

i. ARRA Green Reserve funding amount: _____

- Project is categorically qualified for the Green Reserve Project required a business case

2. Confirm that assistance recipient is meeting ongoing reporting requirements

Assistance recipients must submit job created/retained number and narrative to state quarterly, and certification of Davis-Bacon for compliance for each week at intervals defined by the state. Complete Section A-2 by reviewing state files

a. Assistance recipient has submitted job creation/retention number for all required reporting periods

Y N

Most recent quarter for which construction report is available:

Year: _____ Q1 Q2 Q3 Q4

Date report was submitted: _____

Cumulative number of jobs reported to date:
(Refer to CWSRF or DWSRF Project Benefits Reporting Systems [CBR/PBR] if necessary) _____

b. Assistance recipient has submitted job creation/retention narrative for all required reporting periods

Y N

c. Assistance recipient has submitted regular reports to the State certifying that the project has remained in compliance with Davis-Bacon based on a weekly review of payroll records.

Y N

Reports are submitted: Weekly Monthly With payment/reimbursement requests
 Other: _____

SECTION B - ONSITE REVIEW

To be completed during inspection of project. Sub-sections include a review of documentation kept by the assistance recipient, engineering consultants, or construction contractor, and/or an onsite review of the project and construction site.

3. Inspection Information

All inspections should include visits to the assistance recipients office (if construction has not yet begun) or the project or construction site (once construction begins). Inspections may also include visits to the engineering consultant or construction contractor's office, as necessary to review necessary items.

- a. Inspection number: _____
- b. Locations and dates of review:
- Assistance recipient offices; on: _____
 - Project or construction site; on: _____
 - Engineering consultant offices; on: _____
 - Construction contractor offices; on: _____
 - Other site: _____; on: _____
- Final/Close-out inspection
- c. State SRF staff reviewer(s): _____

- d. Assistance recipient staff present at review: _____

- e. Engineering consultation staff present at review: _____

- f. Construction contractor staff present at review: _____

- g. Other individuals present at review: _____

- h. Notes:

4. Confirm that project is in compliance with Davis-Bacon requirements

Documentation Review

Onsite Review

- a. Assistance recipient has collected payroll records (WH-347 or equivalent) for all laborers/mechanics for all weeks of construction Y N
- b. Payroll records indicate that employees are paid weekly Y N
- c. Assistance recipient has collected signed certifications of Davis-Bacon compliance (WH-347 reverse side or equivalent) for all weeks of construction Y N
- d. Assistance recipient has documentation (SF-1445 or equivalent) that wage interviews were conducted Y N

Interview dates: _____

- e. Davis-Bacon wage poster (WH-1321) is posted at the construction site in a conspicuous place protected from the weather in all relevant languages Y N
- f. Applicable Davis-Bacon wage determinations or rates are posted at the construction site Y N
- g. Notes:

5. Confirm that assistance recipient is monitoring Davis-Bacon compliance

Documentation Review

- a. Assistance recipient has reviewed weekly payroll submissions to confirm that employees are paid weekly, without unauthorized payroll deductions, and according to the wage determinations established in the contract Y N

Describe process used to review payroll records: _____

- b. Assistance recipient has verified contractor fringe contributions were made as planned Y N
 - Fringe paid in cash (weekly) Fringe paid to bona fide fringe benefit plan (quarterly)

- c. Assistance recipient has reviewed registrations/certifications documenting that apprentices and trainees are registered with a DOL-approved program (if applicable) Y N

DOL approved program State approved program Review date: _____

N/A - Apprentices and trainees are paid Davis-Bacon wages

- d. Assistance recipient has verified that the ratio of apprentices/trainees working on the project is consistent with the ratios prescribed in the DOL-approved program Y N

Ratio: _____ to _____ ; Describe process used to verify ratios: _____

e. Notes:

6. Confirm that procured items are in compliance with Buy American requirements

Section B-6 may not be applicable to this project or this inspection. If so, please indicate reason for skipping Section B-6

- N/A - Project qualifies for the National Bid or Refinance Waiver
- N/A - No iron, steel, or manufactured goods have yet been ordered for this project
- N/A - Project does not require any iron, steel, or manufactured goods

*State SRF program managers and staff assigned to the project should decide how many components should be reviewed for each project (see reference guide for more information on making this decision). **Additional copies of this page should be made and completed** for each component reviewed.*

a. Description of component reviewed:

b. Description of the substantial transformation process used to manufacture component:

- N/A - component was entirely assembled in the U.S. using U.S.-made subcomponents and raw materials

c. Location where substantial transformation occurred: _____

Onsite review may not be possible to complete if a component has been ordered and not yet delivered, or if a component has been installed or incorporated into construction. Please indicate the status of the component that is being reviewed.

- Component ordered but not yet delivered
- Component delivered, but not yet installed (stored material)
- Component installed or incorporated into construction

Documentation Review

d. *Indicate the location and type of documentation indicating country-of-manufacturer available by writing a location code on the line next to the appropriate documentation type. See box in the bottom right corner for location codes. For additional information on types or combinations of documentation that acceptably meet the requirements of the Buy American provisions, see the reference guide.*

_____ Substantial transformation checklist with meaningful technical descriptions of manufacturing processes completed by:

- Assistance recipient
- Vendor or supplier
- Manufacturer

_____ Certification from manufacturer

_____ Verification of manufacturing location from manufacturer

_____ Print-outs from manufacturer's website

_____ Shipping manifest or bill of lading

_____ Cut sheets or invoice(s)

_____ Other: _____

Onsite Review

e. Component is the same general character and type as described in the documentation Y N

f. Country-of-origin labeling is consistent with the documentation (ie., labeling does not indicate foreign origin) Y N

g. Notes:

Location codes:

- A** - On-file with assistance recipient
- C** - On-file with construction contractor
- E** - On-file with engineering consultant
- P** - At the project site

7. Confirm that items covered by a project-specific waiver are in compliance

Section B-7 may not be applicable to this project or this inspection. If so, please indicate reason for skipping Section B-7:

N/A - project has not received a project-specific Buy-American waiver

If the project has received a project-specific waiver of the Buy American requirements, this waiver should have been published in the Federal Register. Compare the conditions for the waiver, as described in the Federal Register notice, to documentation of foreign-made component that was procured

a. Description of component(s) for which waiver was approved:

Sections B-8d and B-8e may not be possible to complete if a component has been ordered and not yet delivered, or if a component has been installed or incorporated into construction. Please indicate the status of the component that is being

Component ordered but not yet delivered Component delivered, but not yet installed (stored material) Component installed or incorporated into construction

Documentation Review

Onsite Review

b. Assistance recipient and/or contractor maintains a copy of the Federal Register notice of the approved project-specific waiver **Y N**

d. Component is the same character and type as described in the Federal Register notice **Y N**

c. Assistance recipient and/or contractor maintains any additional supporting documentation specified in the Federal Register Notice of Approval **Y N**

e. Country-of-origin labeling (if visible) is consistent with the description in the Federal Register notice **Y N**

f. Notes:

8. Confirm that the de minimis waiver is applied correctly

N/A - Project qualifies for the National Bid or Refinance Waiver N/A - No incidental components have yet been ordered for this project N/A - Project does not require any incidental components

Documentation Review

Onsite Review

a. Assistance recipient and/or contractor maintains an itemized list of incidental manufactured goods **Y N**

c. The de minimis waiver is only applied to incidental project components that are generally miscellaneous, small, and low-cost **Y N**

b. Assistance recipient and/or contractor maintains receipts or invoices showing total value of exempted items **Y N**

The de minimis waiver applies to up to 5% of materials costs to be exempted from Buy American requirements. For most inspections, compare the value of incidental manufactured goods exempted from Buy American to the estimated materials costs from the plans and specs. On the final or close-out inspection, compare the value of items exempted from de minimis to the actual final materials cost. This value of items exempted should not exceed 5% of total materials costs.

Value of incidental manufactured goods exempted from Buy American: _____

d. Items exempted under the de minimis waiver make up 5% or less of total materials cost **Y N**

Estimate/final cost of materials (to be) procured for project: _____

e. Notes:

Percentage of gmaterrail costs exempted: _____

9. Confirm that green components are incorporated into the project as planned

Section B-6 may not be applicable to this project or this inspection. If so, please indicate reason for skipping Section B-6:

- N/A - Not a Green Reserve project
 N/A - Green components satisfactorily reviewed in previous inspection
 N/A - Current stage of construction not allow for review of green components

a. Description of green component(s) or design feature(s):

<i>Documentation Review</i>	<i>Onsite Review</i>
b. Project is categorically qualified for the Green Reserve, or the assistance recipient and/or contractor maintains a copy of an approved business case including supporting documentation (as required, see Section A-1i)	c. Green design and/or equipment is incorporated into the project as described in the project plans and/or business case d. The green components used in the project are the same character and type as described in the project plans and/or business case e. Notes:

10. Confirm that project is in compliance with remaining ARRA requirements

<i>Documentation Review</i>	<i>Onsite Review</i>
a. Assistance recipient maintains documentation supporting job creation/retention reports that have been submitted to the State	c. If the number of workers observed working onsite is significantly lower than the cumulative number of jobs created/retained reported (see Section A-2a), provide an explanation (example: previous stage of construction required a greater number of workers): Workers observed onsite: _____ _____ _____
b. Job creation/retention reports are developed according to methods described in EPA and State guidance	
	d. ARRA logo is posted at the construction site e. ARRA whistleblower poster is posted at the construction site f. Notes:

State ARRA inspection Checklist Reference Guide

Item	Requirement	Source of Requirement	Directions for completing checklist	Expected Location of Item
A-1a-h	-	-	Self-explanatory	State files
A-1i	EPA has defined some projects as categorically qualified for the Green Reserve, while others must present a business case to qualify	Examples of projects that are categorically qualified for the Green Reserve: http://epa.gov/water/eparecovery/docs/STIMULUS_Guidance_Green_Reserve.pdf	For projects that are receiving Green Reserve funding, check the appropriate box. If the project is non-categorically qualified for the Green Reserve, indicate that the project required a business case.	State files
A-2a	“Four data elements-- completion status, project-level disbursements, number of jobs created and retained, and employment impact-- must be updated on a quarterly basis.”	EPA Guidance: http://www.epa.gov/water/eparecovery/docs/2009_09_30_SRF_Tracking_and_Reporting_Guidance_FINAL.pdf	Confirm that the assistance recipient has submitted a report of the number of FTE created or retained for every required reporting period, and record the date for which the most recent quarterly report was submitted. Reports must be submitted at minimum quarterly (states can require more frequent reports) beginning in the quarter when the assistance agreement is signed. Refer to CBR/PBR to find the cumulative number of FTE reported to date for the project. During the onsite review, the reviewer should refer back to this number to make sure that it is consistent with onsite observations.	State files State files
A-2b	“Four data elements-- completion status, project-level disbursements, number of jobs created and retained, and employment impact-- must be updated on a quarterly basis.”	EPA Guidance: http://www.epa.gov/water/eparecovery/docs/2009_09_30_SRF_Tracking_and_Reporting_Guidance_FINAL.pdf	Confirm that the assistance recipient has submitted a narrative of the employment impact of the project for every required reporting period. The narrative should generally be submitted with each FTE report, and should consist of a few sentences describing employment created or retained during the reporting period, using general labor categories.	State files
A-2c	“As to each payroll copy received, the subrecipient shall provide written confirmation in a form satisfactory to the State indicating whether or not the project is in compliance with the requirements of 29 CFR 5.5(a)(1) based on the most recent payroll copies for the specified week.”	EPA Grant Davis-Bacon Term and Condition §1(3)(a)(3)(ii)(A): http://www.epa.gov/ogd/tc/State_Revolving_Funds.pdf	Confirm that the assistance recipient has submitted certifications to the State indicating the project is in compliance with Davis-Bacon requirements based on the assistance recipient’s review of payroll records. Certifications must cover every week that the project has been under construction. Indicate how often assistance recipient is submitting certifications.	State files

Item	Requirement	Source of Requirement	Directions for completing checklist	Expected Location of Item
B-3a	-	-	Enter a number that describes the inspection currently taking place (e.g. enter '1' for the first inspection, '2' for the second). Check the box below the line if the current inspection is the final inspection of the project.	-
B-3b	-	-	It may be necessary to visit several locations on several different days during the inspection in order to review all documentation. Check the box next to every location visited during the review, and write the date that the location was visited.	-
B-3c-f	-	-	Record names and organizations for all individuals present during the review	-
B-4a	“The contractor shall submit weekly, for each week in which any contract work is performed, a copy of all payrolls to the subrecipient, that is, the entity that receives the subgrant or loan from the State capitalization grant recipient.”	EPA Grant Davis-Bacon Term and Condition §1(3)(a)(3)(ii)(A): http://www.epa.gov/ogd/tc/State Revolving Funds.pdf	Ask to see the payroll records that the assistance recipient has collected for the project. There should be one record for every week that the project has been under construction, and all laborers/mechanics should be listed on the payroll records for the weeks that they worked. Do a brief review to confirm that there appears to be a payroll record for every week of construction, and that the number workers listed on the payroll records is generally consistent with what would be expected for the project’s size and progress.	Assistance Recipient Files
B-4b	“The contractor or subcontractor shall pay all mechanics and laborers employed directly on the site of the work, unconditionally and at least once a week.”	EPA Grant Davis-Bacon Term and Condition §1(3)(a)(1)(i): http://www.epa.gov/ogd/tc/State Revolving Funds.pdf	Review the dates listed on payroll records to confirm that employees are paid weekly. Davis-Bacon requires all laborers and mechanics to be paid on a weekly basis, with no exceptions. If workers are paid every two weeks, they are not in compliance with Davis-Bacon requirements.	Assistance Recipient Files
B-4c	“Each payroll submitted shall be accompanied by a ‘Statement of Compliance,’ signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract...”	EPA Grant Davis-Bacon Term and Condition §1(3)(a)(3)(ii)(B): http://www.epa.gov/ogd/tc/State Revolving Funds.pdf	The signed statement of compliance can usually be found on the reverse side of the payroll record (WH-347 or equivalent)	Assistance Recipient Files

Item	Requirement	Source of Requirement	Directions for completing checklist	Expected Location of Item
B-4d	<p>"The subrecipient shall periodically interview a sufficient number of employees entitled to DB prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates...The subrecipient must use Standard Form 1445 or equivalent documentation to memorialize the interviews."</p>	<p>EPA Grant Davis-Bacon Term and Condition §1(5)(a): http://www.epa.gov/ogd/tc/State_Revolving_Funds.pdf</p>	<p>Confirm that the assistance recipient conducted the first required set of employee wage interviews (within two weeks of the first payroll submission) and has memorialized these interviews using SF 1445 or an equivalent form.</p>	Assistance Recipient Files
B-4e-f	<p>"The wage determination (including any additional classification and wage rates conformed ...) and the Davis Bacon poster (WH1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers."</p>	<p>EPA Grant Davis-Bacon Term and Condition §1(5)(a): http://www.epa.gov/ogd/tc/State_Revolving_Funds.pdf</p>	<p>The WH-1321 poster must be posted in all languages relevant to the laborers and mechanics working on the project. For instance, a project that employs a large number of laborers from South America should have the poster displayed in English and Spanish. If the poster is displayed outdoors, it should be laminated or otherwise protected from the weather.</p> <p>The Davis-Bacon wage rates applicable to the project should be posted in a conspicuous location on the project site. Wage determinations are generally posted in the same location as the WH-1321 poster. Confirm that all applicable wage determinations are posted, and that they are the same determinations used in the construction contract.</p>	Project Site
B-5a	<p>"The subrecipient shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates"</p>	<p>EPA Grant Davis-Bacon Term and Condition §1(5)(c): http://www.epa.gov/ogd/tc/State_Revolving_Funds.pdf</p>	<p>Have the assistance recipient describe the methodology used to review payroll records prior to submitting certifications of Davis-Bacon compliance to the state (certifications were reviewed at the State office in Section A-2-c). Assistance recipients are responsible for checking that laborers and mechanics have been paid weekly, without unauthorized payroll deductions, and according to the wage determinations established in the construction contract prior to certifying to the state that the project is compliant with Davis-Bacon.</p>	Assistance Recipient Files

Item	Requirement	Source of Requirement	Directions for completing checklist	Expected Location of Item
B-5b	<p>“In addition, during the examinations the subrecipient shall verify evidence of fringe benefit plans and payments there under by contractors and subcontractors who claim credit for fringe benefit contributions.”</p>	<p>EPA Grant Davis-Bacon Term and Condition §1(5)(c): http://www.epa.gov/ogd/tc/State_Revolving_Funds.pdf</p>	<p>Assistance recipients must verify contractor fringe benefit contributions at least twice during the project, with the first review within two weeks of the first payroll being submitted. Fringe benefits paid in cash must be paid weekly. Fringe benefits provided through a bona fide benefit plan can be distributed as infrequently as quarterly. Contractors must maintain records verifying either benefits paid in cash or specific contributions to a bona fide benefit plan for each eligible employee, and provide those records to the assistance recipient. Verify that the assistance recipient has reviewed these payments, and whether these payments are made in cash or in contributions to a bona fide benefits plan.</p>	Assistance Recipient Files
B-5c	<p>“Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with...” DOL</p> <p>“Trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by” DOL</p>	<p>EPA Grant Davis-Bacon Term and Condition §1(3)(a)(4)(i-ii): http://www.epa.gov/ogd/tc/State_Revolving_Funds.pdf</p>	<p>Confirm that the assistance recipient has reviewed the appropriate documentation of eligibility for all apprentices and trainees working onsite. Apprentices must either be paid at Davis-Bacon wage rates, or be individually registered in (or in a 90 day probationary employment period of) a bona fide apprenticeship program with the U.S. Department of Labor (DOL) or with a State Apprenticeship Agency recognized by DOL (http://www.doleta.gov/OA/stateagencies.cfm). Trainees must be paid at Davis-Bacon wage rates, or be individually registered in a construction occupation under a program that has been certified by DOL. The contractor or subcontractor that has hired workers being paid non-Davis-Bacon wages should have applicable registrations and certifications on file.</p> <p>Assistance recipients must review apprenticeship and trainee registration documentation of minimum of two times during the project. The first review must take place within two weeks of the first payroll submission, with subsequent reviews as deemed necessary by the assistance recipient.</p>	Assistance Recipient Files

Item	Requirement	Source of Requirement	Directions for completing checklist	Expected Location of Item
B-5d	<p>“The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program.”]</p> <p>“The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by” DOL</p>	<p>EPA Grant Davis-Bacon Term and Condition §1(3)(a)(4)(i-ii): http://www.epa.gov/ogd/tc/State Revolving Funds.pdf</p>	<p>Apprentice/trainee employment plans approved by U.S. Department of Labor (DOL) or State Apprenticeship Agency includes a maximum ratio of apprentices to journeymen (laborers and mechanics receiving full Davis-Bacon wages) that may be present onsite at any one time. The EPA Davis-Bacon grant condition requires assistance recipients to confirm the correct ratio of apprentices and trainees as part of the onsite Davis-Bacon wage interview and apprentice/trainee registration check.</p> <p>Note the ratio from the approved plan. Then, have the assistance recipient describe the process used to confirm the correct ratio of apprentices and trainees. While there is no required method for this review, there are several possibilities. Assistance recipients might review a sample of payroll records and compare the hours worked by apprentices/trainees to the hours worked by regular laborers and mechanics for each day. Alternatively, assistance recipients can count all laborers and mechanics on the job site on a given day and ask the contractor to point out those that are apprentices or trainees (interviews can be used to substantiate this, if needed).</p>	Assistance Recipient Files
B-6a	-	-	<p>The number of components to be review during each inspection should be determined by the State SRF program managers and staff assigned to the project. A larger number of components should be reviewd for larger projects, as well as projects that include complicated design or construction. Additionally, it may be appropriate to review a greater number of components during inspections conducted during teh middle of construction, when compared to inspections coundcted earlier or later in construction.</p> <p>Provide a brief description of the individual component selected for review, including manufacturer information and the intended use in the project. To select components for review, ask the assistance recipient’s consulting engineer or project manager to help locate materials that are accessible for review. If possible, try to inspect types of components that are more difficult to procure domestically (for instance, pumps, motors, or specialty technology as opposed to pipes or sheet metal).</p>	Assistance Recipient and/or Contractor Files

Item	Requirement	Source of Requirement	Directions for completing checklist	Expected Location of Item
B-6b	-	-	<p>For the component described in Section B-6a, review the documentation collected by the assistance recipient and construction contractor showing the product is U.S.-made. Describe the substantial transformation process that was determined to have occurred in the U.S. This section may not be applicable if the component was entirely assembled in the U.S., using U.S. made sub-components and raw materials.</p>	Assistance Recipient and/or Contractor Files
B-6c	-	-	<p>For the substantial transformation process described in Section B-6b, record the location where the assistance recipient or contractor determined manufacturing had occurred. This should generally be a town or city name and state within the U.S.</p>	Assistance Recipient and/or Contractor Files

Item	Requirement	Source of Requirement	Directions for completing checklist	Expected Location of Item
B-6d	<p>"Assistance recipients will make this determination for a finished good by obtaining information about the processes used and applying the questions set forth" in EPA's guidance</p>	<p>"Analysis to Determine Whether Substantial Transformation Has Occurred in the U.S.": http://www.epa.gov/water/eparecovery/docs/10_23_09_Substantial_Transformation_memo_Final.pdf</p>	<p>Conduct a review of documentation maintained in the assistance recipient or contractor's files. Indicate the location and type of documentation available by writing a location code on the line next to the appropriate documentation type. For example, if the assistance recipient has a certification from manufacturer for the selected component on-file, write "A" on the line to the left of "Certification from Manufacturer." No project will have all documentation listed, and some may have additional documentation not listed. This checklist is not EPA guidance, however, note that EPA guidance has previously made it clear that, by themselves, both a completed substantial transformation checklist or a manufacturer's certification are insufficient documentation. Each requires additional information to demonstrate Buy American compliance:</p> <p>1 Substantial transformation checklist. Substantial transformation checklists are not required for components where there is no question that the product is U.S.-made. If there is any question that a good is U.S.-made, however, assistance recipients should include a completed substantial transformation checklist. See Buy American Questions and Answers – Part 2 (at http://www.epa.gov/water/eparecovery) for documentation requirements in either case. Note that simple "yes" answers in the checklist are not sufficient to make a case for substantial transformation. "Yes" answers must be documented by meaningful, informative, and specific technical descriptions of the activities in the actual process asked about in each question."</p> <p>2. Certification from manufacturer or vendor. EPA's April 28, 2009 memorandum (at http://www.epa.gov/water/eparecovery, Appendix 5, point 2) states that, in addition to certification, the contractor must provide "reasonable, sufficient, and timely verification to the purchaser" that each component is in fact U.S.-made. Verification from the manufacturer, documenting that the manufacturing location for each component is in the U.S., is one form of documentation. Assistance recipients may also need to do research (e.g., checking the manufacturer's website) to confirm that the component is U.S.-made.</p>	<p>Assistance Recipient and/or Contractor Files</p>

Item	Requirement	Source of Requirement	Directions for completing checklist	Expected Location of Item
B-6e	"Assistance recipients will make this determination for a finished good by obtaining information about the processes used and applying the questions set forth" in EPA's guidance	"Analysis to Determine Whether Substantial Transformation Has Occurred in the U.S.": http://www.epa.gov/water/eparecovery/docs/10_23_09_Substantial_Transformation_memo_Final.pdf	Conduct a visual inspection of the component at the project site (either in a storage facility or incorporated into the project). Confirm that the component is of the same general character and type as described in the Buy American documentation (such as the manufacturer's certification). Try to confirm that the onsite component has the same manufacturer, make and model as named in the Buy American documentation, although this may not always be possible. If any foreign-made materials are noted during the visual inspection, check that they are either covered by a waiver, or are de minimis items.	Project Site
B-6f	"Assistance recipients will make this determination for a finished good by obtaining information about the processes used and applying the questions set forth" in EPA's guidance	"Analysis to Determine Whether Substantial Transformation Has Occurred in the U.S.": http://www.epa.gov/water/eparecovery/docs/10_23_09_Substantial_Transformation_memo_Final.pdf	Conduct a visual inspection of the component and note any country-of-origin labeling. While country-of-origin labeling laws are not always defined in the same way as country-of-manufacture is defined under ARRA, and subcomponents may have country-of-origin labeling, components that have foreign labels warrant further investigation.	Project Site
B-7a	-	-	made component covered by the project-specific Buy American waiver and approved for inclusion in the project. Indicate the status of the component: ordered but not yet delivered, delivered and stored, or delivered and installed or incorporated into construction	Contractor Files or Project Site
B-7b	Guidance does not include specific language, however it		Confirm that the assistance recipient maintains a copy of the Federal Register notice approving a waiver for that specific assistance recipient to use the specific component (manufacturer, make, and model) that was procured.	Assistance Recipient and/or Contractor Files
B-7c	is clear from waivers that have been granted that they are granted for specific circumstance; recipients are		If the Federal Register notice of approval requires supporting documentation to be maintained as a condition of waiver approval, confirm the assistance recipient maintains these records on file.	Assistance Recipient and/or Contractor Files
B-7d	only in compliance if they procure the exact components described and approved in the Federal Register notice		Conduct a visual inspection of the component either in storage or as incorporated into the project. Confirm that the component that was procured is the same component described in the waiver.	Project Site
B-7e			Conduct a visual inspection of the component for country-of-origin labeling. If labeling is visible, confirm that it is consistent with the origin of the component as described in the waiver notice.	Project Site

Item	Requirement	Source of Requirement	Directions for completing checklist	Expected Location of Item
B-8a	<p>“Assistance recipients who wish to use this waiver should in consultation with their contractors determine the items to be covered by this waiver, must retain relevant documentation as to those items in their project files, and must summarize in reports to the State the types and/or categories of items to which this waiver is applied, the total cost of incidental components covered by the waiver for each type or category, and the calculations by which they determined the total cost of materials used in and incorporated into the project.”</p>	<p>EPA De Minimis Waiver (Revised): http://www.epa.gov/water/eparecovery/docs/2009_08_10_FR_Revised_De_Minimis.pdf</p>	<p>The de minimis waiver requires either the assistance recipient or contractor to maintain an itemized list of components exempted from Buy American under de minimis. Confirm that this list is being kept.</p>	<p>Assistance Recipient and/or Contractor Files</p>
B-8b	<p>“Every water infrastructure project...involves the use of literally thousands of miscellaneous, generally low-cost components that are essential for, but incidental to, the construction and are incorporated into the physical structure of the project, such as nuts, bolts, other fasteners, tubing, gaskets, etc... EPA is hereby issuing a national waiver from the requirements of ARRA Section 1605(a) for any components described above as incidental”</p>	<p>EPA De Minimis Waiver (Revised): http://www.epa.gov/water/eparecovery/docs/2009_08_10_FR_Revised_De_Minimis.pdf</p>	<p>Confirm that the assistance recipient or contractor has kept receipts or invoices showing the value of all components purchased and exempted from Buy American under de minimis.</p>	<p>Assistance Recipient and/or Contractor Files</p>
B-8c	<p>“Every water infrastructure project...involves the use of literally thousands of miscellaneous, generally low-cost components that are essential for, but incidental to, the construction and are incorporated into the physical structure of the project, such as nuts, bolts, other fasteners, tubing, gaskets, etc... EPA is hereby issuing a national waiver from the requirements of ARRA Section 1605(a) for any components described above as incidental”</p>	<p>EPA De Minimis Waiver (Revised): http://www.epa.gov/water/eparecovery/docs/2009_08_10_FR_Revised_De_Minimis.pdf</p>	<p>Review the itemized list of de minimis items to ensure that it only includes items that are generally small, inexpensive and miscellaneous in nature (such as nuts, bolts, nails, screws, wire, flanges and light bulbs). If the reviewer is uncertain about any of the components listed on the de minimis list, conduct a visual inspection of the component during the onsite review and use best judgment to determine whether the item fits the de minimis description. Items such as manhole covers are generally considered too large and expensive to qualify as de minimis.</p>	<p>Assistance Recipient and/or Contractor Files</p>

Item	Requirement	Source of Requirement	Directions for completing checklist	Expected Location of Item
B-8d	<p>“Assistance recipients who wish to use this waiver should in consultation with their contractors determine the items to be covered by this waiver, must retain relevant documentation as to those items in their project files, [including] ... the calculations by which they determined the total cost of materials used in and incorporated into the project.”</p>	<p>EPA De Minimis Waiver (Revised): http://www.epa.gov/water/eparecovery/docs/2009_08_10_FR_Revised_De_Minimis.pdf</p>	<p>The de minimis waiver only allows for up to 5% of total materials costs to be exempted from Buy American. Calculate the value of items exempted under de minimis, which is the ratio of good exempted to the total cost of goods. For initial inspections, use the estimated total cost of goods for this second value. During the final inspection, and actual total value of goods procured should be available, and should be used to calculate the percentage of materials exempted.</p>	<p>Assistance Recipient and/or Contractor Files</p>
B-9a	<p>"In order to ensure that the Green Project Reserve is used for projects consistent with the intent of the ARRA, EPA</p>	<p>EPA Guidance: http://www.epa.gov/water/eparecovery/docs/2009_09_30_SRF_Tracking_and_Reporting_Guidance_FINAL.pdf</p>	<p>Provide a description of the equipment or design features in the project that are counted toward inclusion in the GPR.</p>	<p>Assistance Recipient Files</p>
B-9b	<p>has developed project descriptions and examples for the CWSRF (Attachment 7) and the DWSRF (Attachment 8). For both SRFs, there are certain project types that</p>	<p>EPA Guidance: http://www.epa.gov/water/eparecovery/docs/2009_09_30_SRF_Tracking_and_Reporting_Guidance_FINAL.pdf</p>	<p>Confirm that the project is either categorically qualifies for the Green Reserve of the assistance recipient or contractor maintains a copy of the business on file (see Section A-1h for an indication of whether the project required a business case).</p>	<p>Assistance Recipient Files</p>
B-9c	<p>clearly meet the intent of the ARRA, and there are other project types that may or may not meet the law's intent for the Green Project Reserve.</p>	<p>EPA Guidance: http://www.epa.gov/water/eparecovery/docs/2009_09_30_SRF_Tracking_and_Reporting_Guidance_FINAL.pdf</p>	<p>Conduct a visual inspection of the project's green elements, as described in the project plans or business case. This includes both green components (example: efficiency pumps) and green design elements (example: green roof). Confirm that green components and design elements are actually included in construction.</p>	<p>Project Site</p>
B-9d	<p>For any project to be counted toward meeting the 20% Green Project Reserve, their project files must contain documentation of the business case on which the project or project component was judged to qualify toward meeting the goal."</p>	<p>EPA Guidance: http://www.epa.gov/water/eparecovery/docs/2009_09_30_SRF_Tracking_and_Reporting_Guidance_FINAL.pdf</p>	<p>Conduct a visual inspection of green equipment incorporated into the project, such as energy-efficient, water-efficient, or environmentally innovative technology. Confirm that the equipment is the same general character and type as that described in the business case or project plans (if a business case was made for an efficient pump, the installed pump should be as efficient as the data used for the business case).</p>	<p>Project Site</p>

Item	Requirement	Source of Requirement	Directions for completing checklist	Expected Location of Item
B-10a	States can request jobs data from assistance recipients in multiple forms, at their own discretion, as long as they are able to convert data into FTE values required for Federal Reporting	States develop their own requirements	Confirm that the assistance recipient is maintaining documentation of the process used to develop job reports submitted to the State.	Assistance Recipient Files
B-10b	States can request jobs data from assistance recipients in multiple forms, at their own discretion, as long as they are able to convert data into FTE values required for Federal Reporting	States develop their own requirements	Confirm that assistance recipient is using the appropriate methodology to calculate jobs information for reports sent to state. This methodology should be consistent with both EPA and State requirements.	Assistance Recipient Files
B-10c	Suggested practice	Suggested practice	Confirm that the number of individuals working onsite is not significantly smaller than the number of jobs reported to the state (see Section A-2-a). If the number is significantly smaller, provide an explanation of why this is the case.	Project Site
B-10d	“Projects funded by the American Recovery and Reinvestment Act (ARRA) will bear a newly-designed emblem. The emblem is a symbol of President Obama’s commitment to the American People to invest their tax dollars wisely to put Americans back to work.”	General Guidelines for Emblem and Logo Applications: http://www.epa.gov/ogd/forms/Recovery_emblem_guide_v1[1].pdf	Confirm that the ARRA logo has been posted onsite in a place available to the general public.	Project Site
B-10e	“Any employer receiving covered funds shall post notice of the rights and remedies provided under [ARRA §1553: Protecting State and Local Government and Contractor Whistleblowers].”	http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111_cong_bills&docid=f:h1enr.pdf	Confirm that the ARRA whistleblower poster has been posted onsite. The ARRA whistleblower poster is generally posted along with the Davis-Bacon poster and wage determinations.	Project Site