

FY 2021 Kentucky Riverport Improvement (KRI) Projects

Project Guidance and Specifications

By: KENTUCKY TRANSPORTATION CABINET, DEPARTMENT OF HIGHWAYS, DIVISION OF PLANNING

Kentucky Riverport Improvement (KRI) Funds

The Kentucky Riverport Improvement (KRI) Program was established to provide grants for public Riverport authorities to fund dredging or maintenance of access. The program began with Fiscal Year (FY) 2013 and continues annually when included in the Biennial Budget. Funds are transferred from the General Fund to the Kentucky Transportation Cabinet (KYTC) operating budget to support the KRI program. The FY 2020-2021 budget designates \$500,000 from the General Fund to improve public Riverports within Kentucky. This guidance establishes the policies and procedures for applicants within the Commonwealth to apply for KRI financial assistance from KYTC and complete project requirements.

I. Definitions

- (1) "Applicant" means an eligible applicant for KRI funds as outlined below.
- (2) "Cabinet" means the Kentucky Transportation Cabinet (KYTC).
- (3) "Application" means the grant application and the required attachments.
- (4) "Division" means the Division of Planning in KYTC.
- (5) "Secretary" means the Secretary of KYTC.
- (6) "MOA" means the Memorandum of Agreement between the Cabinet and the applicant.
- (7) "Available Grant Funds" means general funds awarded by KYTC from the Riverport Improvement appropriation.
- (8) "Grant Assistance" means grant funds awarded by KYTC from the Riverport Improvement appropriation.
- (9) "KRI" means Kentucky Riverport Improvement.
- (10) "Grantee" means an applicant who has been awarded KRI grant funds.
- (11) "NTP" means KYTC issued Notice to Proceed.

II. Eligible Applicants

- (1) An eligible applicant is a public Riverport Authority with an actively operating public Riverport within the Commonwealth as established in KRS 65.510 to KRS 65.650.
- (2) Applications submitted by ineligible applicants shall be rejected by Division staff without consideration for KRI funds and returned to applicant without review.
- (3) Applicants that have been found in default of the terms of an MOA for any prior KRI project are not eligible to apply for KRI funds unless reconciled to the satisfaction of the Secretary.

III. Eligible Projects

- (1) Eligible projects shall provide dredging or improve Riverport facilities, infrastructure or critical material handling equipment.
- (2) Projects must be within the boundary of the Riverport.
- (3) Projects should be identified in the Riverport Authority's officially adopted business or long-range plan within the project list or in affiliated city or county comprehensive plan's

project list.

- (4) Plans and studies are examples of ineligible KRI projects.

IV. Eligible Costs

- (1) When project work is let to a contractor, KRI funds may only be used for work items included in the bid proposal which are costs incurred by the contractor associated with the approved project.
- (2) When the applicant is the primary constructor of the project, awarded funds are only to be used for direct construction and maintenance costs (manpower, materials, and equipment) for the purpose described in the application, MOA Scope of Work, and any pre-approved amendments to the Scope of Work.
- (3) Applicant's costs associated with project overhead, administration, profit, supervision, permits and fees, newspaper ads/public notices, design and engineering, land acquisition, right of way and utilities, and environmental services are examples of ineligible costs.

V. Grant Solicitation

- (1) When KRI funding is available, the Division, at the direction of the Secretary, will distribute the call for applications for KRI grant assistance to operating public Riverport authorities.
- (2) The call for applications will include the Cabinet web address where the relevant documentation can be obtained, including: application, guidance document, and requisite affidavits.
- (3) Applicants interested in applying for KRI grant funds must complete and submit an application and provide all required supporting documentation for consideration by the deadline.
- (4) The deadline for submitting applications shall be May 1.
- (5) Applicants should not apply for KRI funding until they have firm project scopes, firm project schedules, and firm project quotes/estimates.

VI. Project Funding

- (1) Grant assistance awarded to applicants shall be limited to a maximum of fifty (50) percent of the actual project cost, not to exceed the amount approved by the Secretary, with the applicant providing fifty (50) percent or more of the project cost.
 - a. **Any project work done before the Notice to Proceed shall not be paid for with awarded grant funds and shall not count towards the applicant's required cash match.**
- (2) Grantees are responsible for any costs in excess of the awarded amount necessary for completion of the approved Scope of Work and any authorized or unauthorized changes to the project.
- (3) The fifty (50) percent minimum match is required to be a cash match as outlined in the Project Budget and may be obtained from any public or private source. No in-kind match is allowed.
- (4) Applicant's match commitment must be demonstrated in the application in the form of a certified letter from the bank, an Income Statement, or equivalent documentation accompanied by an affidavit signed by the Riverport Authority president, director, or financial officer.
- (5) Following award approval by the Secretary, the Division will prepare MOAs for the

awarded projects. After the MOA is executed and applicable guidelines outlined in this document are met, the Cabinet may provide up-front grant money in the form of a single lump sum payment in the amount of the award.

- (6) Unobligated KRI grant funds not paid to grantees within the fiscal year will not carry forward into the next fiscal year, unless specified in the budget bill.
- (7) The Cabinet at its discretion may rescind the grant award under any one of the following circumstances:
 - Grantee does not agree to the terms of the MOA within three (3) months of the notice of award;
 - Grantee does not provide copies of all required permits to the Division within nine (9) months of the notice of award;
 - Grantee does not begin KRI-funded portion of the project within six (6) months of the notice of award;
 - Grantee is in default under the terms of an MOA for any KRI project;
 - General Fund has insufficient funds for this program.

VII. Application for Financial Assistance

- (1) An eligible applicant shall complete the requisite KRI application and provide each of the following pieces of supporting documentation:
 - a. A Cover Sheet for the project containing:
 - Applicant Name
 - Project Title
 - Date Submitted
 - b. A detailed Statement of Work for the project;
 - i. The Statement of Work is a detailed narrative describing the operational and market need for the project, anticipated benefits, industries to be served, and a description of other, non-KRI funding (awards, grants, loans, etc.) the applicant has received, applied for, or plans to use on the project (if applicable).
 - ii. The Statement of Work provided in the application will be included in the MOA for the project as an attachment.
 - c. A detailed Scope of Work for the project;
 - i. The Scope of Work is a text and table based document that should include:
 - The exact work that must be done
 - Quantities of materials involved
 - Summary of Estimated Costs of Total Project (by phase and in whole)
 - ii. The Scope of Work provided in the application will be included in the MOA for the project as an attachment.
 - d. Purchase quote or cost estimate for the project.
 - i. Equipment Purchases: a price quote on letterhead from the Original Equipment Manufacturer.
 - (1) Applicants should understand that the vendor who provided the price quote may not be the vendor ultimately selected in the competitive purchasing process.

- ii. Infrastructure Projects: an engineer’s estimate by project phase with line item materials, quantities, and labor estimates.
- e. A detailed Project Schedule/Timeline;
 - i. The project schedule/timeline specifies each phase of the work to be done and the length of time each phase will last. This should be done in Gantt chart format and should be done by day, week, or month depending on the nature of the project. Specific dates are not required.
 - ii. The project schedule/timeline provided in the application will be included in the MOA for the project as an attachment.
- f. Certification of the applicant’s ability to cover the cost share requirement in cash (at least 50% of the actual total cost of the project). This commitment must be demonstrated in the form of one or more of the following:
 - Certified letter from the bank,
 - Affidavit signed by the Riverport Authority president, director, or financial officer,
 - Income Statement or equivalent documentation.
- g. Maps, Aerial Photos, Drawings, and Photographs clearly depicting the project location in appropriate scale, as needed.
 - i. Photos are not required for dredging projects.
- h. Engineering plans, schematics, details, drawings of the proposed project, as needed.
- i. Copies of all correspondence or evidence of consultation with all interested state and federal agencies, if applicable. This includes, but is not limited to, the US Army Corps of Engineers (Section 10 and 404 permits), Kentucky Division of Water (Section 401 permits), Fish and Wildlife (regarding threatened and endangered species), and the US Coast Guard.
 - i. Copies of applicable permits must be supplied to the Division before the MOA for the project is finalized by KYTC.
- j. Annual Affidavit for Bidders, Offerors and Contractors from applicant
- k. Documentation of Port Planning
 - i. A written description of how the project fits into the applicant’s short or long range plans.
 - ii. *Copy of applicant’s current Port Planning document -- 5 or 10 year plan:*
 - Riverport Needs List or Project List portion of Riverport Authority’s Port Plan, or
 - Riverport Needs List or Project List portion of Comprehensive Plan for Riverport Authority or the associated City and/or County, or
 - Adopted Port Planning Toolkit, or
 - Applicant must submit the following in list format:
 - Capital construction needs
 - Ongoing maintenance requirements
 - Inventory of freight handling equipment

(2) Completed applications and all required attachments must be submitted electronically in PDF format and paper format with two (2) stapled or bound copies mailed to: Kentucky Transportation Cabinet, Division of Planning – KRI Application, 200 Mero Street, Frankfort, Kentucky, 40622. PDF copies shall be sent via email to

KYTC.ModalPrograms@ky.gov. Mailed and emailed applications shall be received by the Division on or before May 1st. It is the sole responsibility of the applicant to ensure delivery of electronic and paper applications to the Division prior to the application deadline.

- (3) Applicants may submit multiple projects for consideration. Each project requires a separate application and must demonstrate independent utility.
- (4) Incomplete applications, applications missing any of the required supplemental documents, or applications received after the deadline, will be deemed ineligible by Division staff and returned to the applicant without consideration for KRI funds.

VIII. Application Prioritization

- (1) Following the application deadline, the Division will collect the completed applications and share them with the Water Transportation Advisory Board (WTAB). The Division and WTAB will then conduct a meeting, open to the public, to discuss the projects, review projects for eligibility, and develop a prioritized fiscally-constrained list of recommended projects for the Secretary.
- (2) The prioritized list of recommended projects will be sent by the Division to the Secretary for final review, approval, and award decision. The decision of the Secretary is final.

IX. Award of Grant

- (1) After the Secretary determines final awards for the KRI grants, the Division shall announce the awards to applicants in writing.
- (2) Grant fund award amounts cannot be increased after the award has been made by the Secretary. Applicants are responsible for any costs in excess of awarded amount that are necessary for completion of the approved Scope of Work and any authorized or unauthorized changes to the project.

X. Execution of Performance Agreements

- (1) After an applicant has been awarded grant assistance, the applicant and the Cabinet shall execute an MOA. The Division shall draft the MOA. The Statement of Work, Scope of Work, and Project Schedule/Timeline provided with the application shall be included in the MOA as attachments.
- (2) Work should not begin until after the MOA is signed by the Secretary and a Notice to Proceed (NTP) has been issued by the Division. **Any project work done before the Notice to Proceed shall not be paid for with awarded grant funds and shall not count towards the applicant's required cash match.**
 - a. In extreme circumstances, the grantee can petition the Division in writing (email is sufficient) outlining the dire need to begin project work before the MOA is executed and/or NTP issued. Division decisions on these requests are final.
- (3) Grantees may request extensions of time, changes to the Scope of Work, or amendments to the MOA; such requests must be in written form (email is sufficient) and must be supplied to the Division Director for approval.

XI. Project Initiation and Commencement

- (1) After the MOA has been executed, several milestones must be completed, as applicable, before the Division will release grant funds for the project.

- (2) Milestone 1: The Division and the grantee shall conduct a joint project review meeting (conference call or on-site) for the project.
- a. Joint Project Review discussion items may include, but are not limited to:
- Required permits
 - KYTC Pre-Qualification ([Link](#))
 - Work Items Sampling or Certifications
 - Prequalified Contractors/Subcontractors
 - KYTC List of Approved Materials ([Link](#))
 - Request for Qualifications/Request for Proposals, as applicable
 - Maintenance of traffic plan, as applicable
 - Force account or contract labor
 - Requirements for obtaining quotes or bids in accordance with KRS 45A ([Link](#))
 - Determination of appropriate bid format, being unit price, lump sum, or other eligible format, as applicable
 - Applicable affidavits for grantees and contractors include but may not be limited to:
 - Annual Affidavit for Bidders, Offerors, and Contractors (Riverport)
 - Annual Affidavit for Bidders, Offerors, and Contractors (Contractor)
 - Affidavit for Bidders Claiming Resident Bidder Status OR Affidavit for Bidders Claiming Qualified Bidder Status
 - Affidavit Regarding Subcontractors
 - Affidavit Regarding Illegal Immigrants
- (3) Milestone 2: The Division may grant permission to advertise when the grantee submits **and the Division has approved** the following documents:
- a. Copy of all required permits, as applicable
- b. Copy of the Request for Quotes or Bid Packet, as applicable
- c. Copy of the draft advertisement, as applicable
- d. Copy of the advertisement plan, as applicable
- e. Signed MOA returned to the Division
- f. Signed Funds Release Request Form returned to the Division
- i. Grantee can submit signed Funds Release Request form or alternative written notification indicating the grantee is ready to receive the funds. If alternative written notification is used, it must be on grantee's letterhead and be signed by a qualified representative of the Riverport Authority.
- (4) Milestone 3: The Division may release the grant funds when the grantee submits the following documents:
- a. Copy of the published advertisement, as applicable.
- b. Copy of the winning quote or bid, as applicable.
- c. Copy of all quotes/bid tabulation sheets including the unsuccessful quote(s)/bid(s), as applicable.
- d. Copy of all signed required affidavits by contractor, as applicable.
- e. Certification that contractor and all subcontractors identified in winning bid packet are KYTC Prequalified, as applicable.

XII. Bid Proposals / Bid Packets

- (1) In all aspects of the bid process, grantees must follow KRS 45A and all other applicable state laws and regulations.
- (2) Procurement thresholds for total project costs for construction projects are as follows:
 - a. \$0-\$20,000 purchase with one quote;
 - b. \$20,001-\$40,000 applicant shall obtain three quotes and select lowest qualified;
 - c. \$40,001 and up shall advertise for a minimum of seven (7) days and then follow selection process outlined in bid packet.
 - d. The project may not be divided to adjust requirements for obtaining quotes or bids.
- (3) The grantee is expected to prepare a Request for Qualifications (RFQ), Request for Proposals (RFP), Bid Packet (BP), or similar document describing the project on which the contractors/subcontractors will make their proposal (bid, quote, etc.). The grantee is also responsible for the advertisement, opening of quotes/bids, selection of/contracting for construction services, and materials purchases.
- (4) The grantee is required to use KYTC Prequalified Contractors ([Link](#)) for all KYTC Work Items ([Link](#)) on the project. If a contractor/subcontractor is not on the KYTC List of Prequalified Contractors, the grantee must contact the KYTC Division of Construction Procurement to verify prequalification status.
 - a. **It is the grantee's responsibility to ensure all contractors and subcontractors are KYTC Prequalified. Work by contractors or subcontractors not on KYTC Prequalified list is not an eligible expense and is not reimbursable.**
- (5) If no KYTC Work Items ([Link](#)) exist for any project component, grantee should use the following process:
 - a. Issue the RFQ.
 - b. Review the RFQ submissions and rank the three most qualified firms in order of their qualifications.
 - c. These three qualified firms shall then provide a Proposal.
- (6) The RFQ/RFP/BP, or similar document developed by the grantee should include the following components:
 - a. Information regarding requirements that could cause a proposal or bid to be ineligible.
 - b. Detailed selection criteria must be outlined. Criteria used to score a bid should include price and delivery, references, previous experience, etc.
 - c. Applicable affidavits for contractors/subcontractors shall be included for interested contractors/subcontractors to complete as part of their quote or bid.
 - d. Reference to KYTC's Standard Specifications for Roadway and Bridge Construction ("Spec Book"). This is true even if the project is not for the building of Roadways or Bridges. The Spec Book contains procedures and requirements that apply to all infrastructure projects. Any special provisions, project notes, or deadlines indicating a deviation from the standards contained in the Spec Book or containing requirements not discussed in the Spec Book must also be included in the BP.
 - e. KYTC Work Items required on the project, if applicable
 - f. Requirement that the bidder is a KYTC Prequalified Contractor and description of how bidder could become a KYTC Prequalified Contractor, if applicable.
 - g. Shall require the listing of every contractor and subcontractor to be utilized on

the project, if applicable. Contractors and subcontractors not listed on submitted bids are not reimbursable.

h. Requirement to use KYTC Approved Materials, if applicable.

- (7) The Division must review and approve the RFQ/RFP/BP prior to advertisement of bid.
- (8) Copies of the winning proposal and either the unsuccessful proposals or the Bid Tabulation Sheet, as appropriate, must be supplied to the Division before release of the grant funds.
- (9) The rejection of any or all bids, or winning bid selection that varied from the outlined RFQ/RFP/BP selection criteria, must first be approved by the Division. The reason for the rejection of any or all bids or variance from the outlined selection criteria must be thoroughly documented.

XIII. Advertisements

- (1) Grantee shall develop the advertisement for their RFQ/RFP/BP AND an advertisement plan detailing how the RFQ/RFP/BP will be publicized. The advertisement plan should outline all methods to publicize the RFQ/RFP/BP (local paper, magazines, trade journals, websites, social media, etc.).
- (2) The advertisement developed by the grantee shall include the requirements that bidders must be a Prequalified Contractor with the Transportation Cabinet and use KYTC Approved Materials, if applicable.
- (3) The advertisement plan and the advertisement developed by the grantee **MUST** be reviewed and approved by the Division before posting.
- (4) Advertisement of the bidding opportunity must be published in a newspaper of general circulation in the region where the activity for which bids are submitted will be conducted to make sure solicitation is open to anyone who could perform the work.
- (5) The approved RFQ/RFP/BP must be posted in local paper a minimum of 7 days before posted bid opening. Ideally the project should be advertised 3 weeks before bid opening. Any revisions or clarifications of RFQ/RFP/BP require delaying bid opening 7 days from the last issued revision/clarification.
- (6) The approved RFQ/RFP/BP for construction projects can be posted on the Cabinet's Division of Construction Procurement website in an effort to publicize project. However, posting on the Construction Procurement website does not satisfy KRS 45A requirement to post in a local paper.
- (7) The approved RFQ/RFP/BP can also be posted on the grantee's own website or in applicable trade journals, but these sources do not satisfy the KRS 45A requirement to post in a local paper.
- (8) The costs to develop the RFQ/RFP/BP and to post the advertisement in the local paper, in trade journals, on websites, etc., are not reimbursable expenses with KRI funds and do not count towards grantee's match.
- (9) During the time the bid is advertised, up until the time the bids are announced during public opening, the grantee may accept sealed bids, but must not open them until the close of the advertising period.
- (10) If a contractor or subcontractor needs to be changed after a bid has been awarded, written approval must be given by grantee who must verify new contractors/subcontractors are KYTC Prequalified, as applicable. Grantee must also notify the Division in writing of the change.

XIV. Equipment/Materials Purchases

- (1) If KRI award is for purchasing equipment/materials for which a master agreement is in place, grantee can utilize the master agreement in place of RFP/RFQ/BP and advertisement process. Grantee should contact Cabinet's Division of Equipment for assistance with equipment master agreements.
- (2) Procurement thresholds for total project costs for equipment purchases not utilizing a master agreement are as follows:
 - a. \$0-\$10,000 purchase with one quote;
 - b. \$10,001-\$20,000 applicant shall obtain three quotes and select lowest qualified;
 - c. \$20,001 and up shall prepare RFP/RFQ/BP and advertise as outlined above.
 - d. The project may not be divided to adjust requirements for obtaining quotes or bids.
- (3) Affidavits are not required of the vendors for equipment/materials purchases. The only affidavit required is the Annual Affidavit for Bidders, Offerors, and Contractors from the grantee.
- (4) The requirement for use of KYTC Prequalified contractors does not apply to equipment/materials purchases.
- (5) If a master agreement cannot be utilized for an equipment purchase, the RFQ/RFP/BP developed does not need to include requirements for Spec Book Standards (Section XII(6)d), KYTC Work Items (Section XII(6)e), KYTC Prequalified Contractors (Section XII(6)f), or KYTC Approved Materials (Section XII(6)h).
- (6) The RFP/RFQ/BP, advertisement plan, and advertisement developed by the grantee for an Equipment Purchase MUST all be reviewed and approved by the Division before posting.

XV. Federal Procurement

- (1) KRI awards that are to be used as part of or in coordination with a federally funded project do not have to go through a separate RFP/RFQ/BP process and can rely on the federal procurement process provided it is in compliance with KRS 45A. Documentation of the federal procurement process must be provided to the Division. This includes projects affiliated with Corp of Engineers funded dredging.
- (2) The requirement to utilize KYTC Prequalified contractors does not apply to grants utilizing the above referenced federal procurement process.
- (3) In order to coordinate timelines for a grant that is connected to a federal project, the grantee can petition the Division in writing (email is sufficient) outlining the dire need to begin project work before the MOA is executed and/or NTP issued. Division decisions on these requests are final.

XVI. Construction Standards

- (1) All project work shall be in accordance with all applicable state, federal, and association design and construction criteria and recommended practices for the type of work undertaken, including but not limited to:
 - a. KYTC Standard Specifications for Road and Bridge Construction, edition 2019 (with Supp Spec July 2019) as revised ([Link](#))
 - b. KYTC Highway Design Manual ([Link](#))
 - c. KYTC Standard Drawings ([Link](#))
 - d. KYTC Drainage Manual ([Link](#))

- e. American Railway Engineering and Maintenance of Way Association (AREMA) Manual for Railway Engineering (MRE), current edition ([Link](#))
 - f. American Association of State Highway Transportation Officials' (AASHTO) Policy on Geometric Design of Highways and Streets ([Link](#))
 - g. Manual on Uniform Traffic Control Devices (MUTCD) ([Link](#))
 - h. Applicable sections of 23 CFR 625 ([Link](#))
- (2) KRI projects that involve rail construction or rail rehab shall also follow standards, specifications, details, and procedures in the current Kentucky Rail Crossing Improvement (KRCI) guidance document, as applicable.

XVII. Force Account

- (1) In rare circumstances, grantee may have reason to request to be allowed to use its own employees to construct a portion of its project, known as "force account." Grantee must demonstrate that this is a more cost effective alternative.
- (2) To utilize "force account" the grantee must submit a written request to the Division identifying the reason or reasons why force account for the project is considered cost effective.
- (3) KYTC will review force account requests and return a Public Interest Finding approving or disapproving the use of force account to grantee. Any approved decision to use local forces should be described in any RFQ/RFP/BP, or similar document describing the project on which the contractors would make their proposal (bid, quote, etc.).
- (4) When the grantee utilizes force account for any portion of the project, awarded funds are only to be used for direct construction and maintenance costs (manpower, materials, and equipment) for the purpose described in the application, MOA Scope of Work, and any pre-approved amendments to the Scope of Work.

XVIII. Project Documentation

- (1) The grantee is required to keep an organized file for the project. The grantee is expected to maintain paper copies and electronic copies of all documents related to the project, where possible. KYTC shall have access to any books, documents, papers, records, or other evidence (including emails and other forms of documentation), which are directly pertinent to the project for the purpose of audit or program review, as referenced in the MOA.
- (2) The grantee shall provide a project status update in the form of a monthly email detailing the status of the project and estimated begin or completion date. The status updates shall begin the month after notification that the MOA has been executed and are due monthly until the project is complete (construction and administrative requirements).
- (3) Project documentation must include, but may not be limited to, copies of the following:
 - Proof of fund disbursement
 - This must be in the form of a copy of all checks (front and back) or record of EFT payment, indicating the funds have been transferred from the grantee to the contractor or appropriate entity, as required. Project expense documentation must meet or exceed the total project amount to demonstrate all of the awarded funds have been spent and the grantee's required cost share has been met.
 - Invoices
 - Paid invoices should be formatted & itemized as defined in the

RFQ/RFP/BP, or similar document and must appropriately reference the applicable proof of fund disbursement. This includes invoices from contractors, suppliers, etc.

- RFQ/RFP/BP, and/or newspaper ad, as applicable.
 - Winning proposal and either the unsuccessful proposals or the Bid Tabulation Sheet
 - Signed required affidavits: grantee and contractors, as applicable.
 - Record of request and approval for time extension, if applicable.
 - Record of request and approval for changes to agreed-upon Scope of Work.
 - Dredge Scans are required if project involves dredging.
- (4) Public financing requires transparency and documentation. Be advised that all documentation regarding funded projects will reside in paper and electronic files at the Cabinet and will be subject to open records requests or audits.

XIX. Project Closeout

- (1) Within 10 business days after construction of the project is complete, the grantee shall notify the Division in writing via email and include the expected timeline for final invoice(s) and documentation.
- (2) Within 60 business days after construction of the project is complete, the grantee shall provide all remaining required documentation and photographs of the completed project.
- (3) The Division will conduct an on-site post-project review prior to the close-out of the project. The Division will verify items in the Scope of Work have been completed as outlined.
- a. For equipment purchases and dredging projects, the Division may determine at its discretion that an onsite post project review is unnecessary and rely on provided documentation.
- (4) Any awarded funds unspent at the end of the project, or from a cancelled project, or in the absence of a Division approved expanded Scope of Work, must be returned to KYTC in the form of a check addressed to the Kentucky State Treasurer within 60 days of notice from KYTC.

XX. KYTC Office of Audits

- (1) Upon completion of the project, the KYTC Office of Audits may perform an audit of the KRI program to determine whether a selected grantee complied with the provisions of the KRI Guidance Document, the MOA, and government procurement procedures.
- (2) KYTC shall have access to any documents, paper or electronic, which are directly pertinent to the project for the purpose of audit or program review, as referenced in the MOA.
- (3) If the post-project audit determines the applicant failed to follow applicable state laws, the requirements in the KRI Guidance Document, or the requirements in the MOA, the grantee shall immediately reimburse KYTC for unallowable expenditures.
- (4) Negative findings in post-award audits and incidents of repayment for unallowable expenditures will be considered when evaluating and prioritizing the grantee's future KRI applications.