

## **Title 15. Natural Resources and Economic Development**

### **Chapter XXI. Arkansas Natural and Cultural Resources Council, Division of Arkansas Heritage, Department of Parks, Heritage, and Tourism**

#### **Subchapter A. Generally**

#### **Part 311. Grant Funding and Application Procedures**

#### **Subpart 1. Accrual of Funds**

##### **15 CAR § 311-101. Accrual of funds generally.**

(a) Funds will be collected and deposited pursuant to the purposes as stated in Acts 1987, No. 729, as codified in Arkansas Code §§ 15-12-101 – 15-12-103.

(b)(1) The ten percent (10%) credited to the Natural and Cultural Resources Historic Preservation Trust Fund (Acts 1987, No. 729, Arkansas Code §§ 15-12-101 – 15-12-103) shall be divided between the Arkansas Historic Preservation Program and the Main Street Arkansas program in a manner determined by the Director of the Arkansas Historic Preservation Program.

(2) Such funds shall be transferred to such accounts, using the percentages approved by the Arkansas Natural and Cultural Resources Council, as funds are received from the real estate transfer tax.

(3) The Arkansas Historic Preservation Program and the Main Street Arkansas program shall be required to file a financial report for expenditures as of June 30 of each year.

(4) The report shall be filed with the Secretary of the Arkansas Natural and Cultural Resources Council no later than July 31 of each year.

(c)(1) The ten percent (10%) credited to the Parks and Tourism Outdoor Recreation Grants Fund, to be used by the Department of Parks, Heritage, and Tourism, shall be distributed directly to the department.

(2) The department shall file a financial report for expenditures as of June 30 of each year.

(3) This report shall be filed with the council's secretary no later than July 31 of each year.

(d)(1) Beginning in the state fiscal year 1989, the first complete cycle will be established whereby funds collected in a previous twelve-month period (May – April) for the Natural and Cultural Resources Grants and Trust Fund, may not be expended until the first day of July following the April of collection, unless emergency procedures are followed.

(2) Funds for granting in May 1989 would be those collected in May 1988 – April 1989.

**Authority.** Arkansas Code § 15-12-102.

## **Subpart 2. Grant Programs**

### **15 CAR § 311-201. Trust fund.**

(a)(1) There shall be established within the Natural and Cultural Resources Grants and Trust Fund a separate and segregated account for the purpose of ensuring the viability of the program through the creation of an inviolate corpus (principal account).

(2) Interest drawn from such corpus will be deposited into the Natural and Cultural Resources Grants Fund to continue the Arkansas Natural and Cultural Resources Council's purposes.

(b) A percentage, determined by the council but no less than one percent (1%) of the receipts from the prior twelve-month period (May – April), shall be annually deposited into such account.

**Authority.** Arkansas Code § 15-12-102.

### **15 CAR § 311-202. Annual grants.**

(a) Projects are funded during a regular annual grant period.

(b) These grants are submitted through the regular annual grant cycle with projects and expenditures occurring between July 1 and June 30 of each year.

**Authority.** Arkansas Code § 15-12-102.

**15 CAR § 311-203. Emergency grants.**

(a) Projects for unanticipated opportunities deemed highly significant and critical for the state to fund, according to the SCORP (Statewide Comprehensive Outdoor Recreation Plan) guidelines and the Arkansas Natural and Cultural Resources Council's other review criteria.

(b) Funded through a limited amount established by the council at the annual funding meeting and if the council desires, through the receipt of returned funds incapable of being spent by original grantees.

(c) Emergency grants may be approved by the council officers up to the amount determined annually by the council, with review by the full council at the next regular meeting after an award is made.

(d) Awards may not be made to grants that can be submitted through the regular annual grant process.

**Authority.** Arkansas Code § 15-12-102.

**Subpart 3. Application for Funds**

**15 CAR § 311-301. Eligibility to apply.**

Applicants for funding from the Natural and Cultural Resources Grants and Trust Fund shall be agencies of the State of Arkansas that receive general revenue funding and are authorized by law to acquire, manage, operate, or maintain state-owned lands or to preserve state-owned historic sites, buildings, structures, or objects that the Arkansas Natural and Cultural Resources Council determines to be of value for recreation or conservation purposes for the benefit of this and future generations.

**Authority.** Arkansas Code § 15-12-102.

**15 CAR § 311-302. Grant review criteria.**

(a)(1) The Arkansas Natural and Cultural Resources Council will fund projects for acquisition, management, and stewardship of state-owned lands or the preservation of state-owned historic sites, buildings, structures, or objects that the council determines to be of value for recreation or conservation purposes, said purposes to be used, preserved, or conserved for the benefit of this and future generations.

(2) In funding state park improvements, the council shall initially emphasize the restoration or renovation of existing facilities and historic structures within the system.

(3) Projects shall be selected for funding on the basis of their conformity with these purposes, pursuant to Acts 1987, No. 729, as codified in Arkansas Code §§ 15-12-101 – 15-12-103, or its successor.

(4)(A) To qualify for funding as a historic preservation project, a site, building, or structure must either be on, or determined eligible to be on, the National Register of Historic Places.

(B) Any question of eligibility will be determined by the Arkansas Historic Preservation Program.

(b) In selecting projects to be funded, the council shall be guided by the principles set forth in the Arkansas Statewide Comprehensive Outdoor Recreation Plan published by the Department of Parks, Heritage, and Tourism, and the council's review criteria, as the same may exist and be in force from time to time.

(c) Other review criteria include, but are not limited to, the following:

(1) **Resources.**

(A) Presence of natural resources:

- (i) Exemplary natural communities;
- (ii) Endangered, threatened, or rare species;
- (iii) Outstanding geologic features;
- (iv) Forest resources and their potential;
- (v) Water resources and their potential; and

(vi) International, national, or statewide significance, comparison to other known projects, proposals, or publicly owned lands.

(B) Recreational potential.

(C) Archeological and historical features:

(i) Known or potential sites or structures; and

(ii) International, national, regional, or statewide significance, comparison to other known projects, proposals, or other publicly owned lands;

**(2) Vulnerability and endangerment.**

(A) Susceptibility of the resources to degradation and/or deterioration.

(B) Potential for destruction, including development plans, if any;

**(3) Suitability for proposed use.**

(A) Features, including access and sufficient size for proposed use.

(B) Manageability, including adequate boundary considerations, potential for resource protection, and proximity to other state-owned lands.

(C) Adequacy of the management concept and plan, and potential for effective site management;

**(4) Location.**

(A) Regional balance of available resources.

(B) Area of critical state concern, if applicable;

**(5) Ownership pattern.** Number of items (parcels) and number of owners;

**(6) Cost.**

(A) Acquisition cost.

(B) Availability of other funding.

(C) Alternative acquisition techniques, including less than fee simple acquisition, donations, mitigation agreements, and exchanges.

(D) Cost for management/stewardship;

**(7) Conformity with other plans.** Conformity with plans, laws, and/or regulations currently existing, developed, and/or administered by other state or federal agencies; and

**(8) Resource planning.**

- (A) Resource-based acquisition goals and objectives.
- (B) Coordination with prospective management agencies.

**Authority.** Arkansas Code § 15-12-102.

**15 CAR § 311-303. Categories of grants.**

(a) There are two (2) categories of grants for which application may be made:

- (1) Annual grants; and
- (2) Emergency grants.

(b) Annual grants are for projects funded during a regular annual grant cycle with projects and expenditures occurring between July 1 and the following June 30.

(c)(1) Emergency grants are for projects for unanticipated opportunities deemed highly significant and critical for the state to fund, according to the SCORP guidelines and the Arkansas Natural and Cultural Resources Council's other review criteria.

(2) Emergency grants are funded by a limited amount established by the council at the annual funding meeting and, if the council desires, through the receipt of returned funds incapable of being spent by original grantees.

(3) Emergency grant award decisions are made by the council officers with a report made to the full council at the next regular meeting after an award is made.

(4) Emergency grant awards may not be made to grants that can be submitted through the regular annual grant process.

**Authority.** Arkansas Code § 15-12-102.

**Codification Notes.** "SCORP" means Statewide Comprehensive Outdoor Recreation Plan.

**15 CAR § 311-304. What is/is not funded.**

(a) The Arkansas Natural and Cultural Resources Council will fund projects that conform to the purposes defined in the:

- (1) Legislation;
  - (2) Bylaws of the Arkansas Natural and Cultural Resources Council, 15 CAR pt. 310; and
  - (3) Grant application procedures.
- (b) The council will not fund:
- (1) Contributions or donations to other organizations or individuals;
  - (2) Entertainment expenses, including refreshments, flowers, reception costs, etc.;
  - (3) Lobbying expenses;
  - (4) Regular, full-time administrative staff for a project; or
  - (5) Standard, ongoing, operating expenses for a project.
- (c) With regard to subdivision (b)(4) of this section, this exclusion does not apply to construction personnel.

**Authority.** Arkansas Code § 15-12-102.

**15 CAR § 311-305. Types of grants.**

- (a) Grants may be for:
- (1) Acquisition;
  - (2) Management/stewardship; or
  - (3) A combination of the two (2).
- (b) **Acquisition.** A grant is defined as an acquisition grant if funding is requested for the purpose of acquisition by the state.
- (c) **Management/stewardship.**
- (1) A grant is defined as a management/stewardship grant if funding is requested for the:
    - (A) Development of heretofore undeveloped property, sites, or programs; and/or
    - (B) Renovation of existing property or sites.
  - (2) The grant may also include requests for projects involving:

- (A) Maintenance;
- (B) Preservation;
- (C) Improvements;
- (D) Management and operations; and
- (E) Programming.

(d) **Combination.** A grant is defined as a combination grant if the grant includes a request for funding for both of the above categories.

**Authority.** Arkansas Code § 15-12-102.

**15 CAR § 311-306. Historic property rehabilitation and restoration grants.**

(a)(1) Applicants approved for funding for the preservation of historic property sites should schedule a meeting and site visit with:

- (A) Arkansas Natural and Cultural Resources Council staff;
- (B) Arkansas Historic Preservation Program staff;
- (C) The grant contact;
- (D) The architect; and
- (E) Other key project personnel.

(2) This meeting should take place prior to the submission of construction plans, demolition plans, or other documents to the Arkansas Historic Preservation Program for review.

(3) No construction or demolition should commence prior to the approval of the Arkansas Historic Preservation Program.

(b)(1) Grant projects that include the rehabilitation or restoration of historic properties must follow the additional procedures listed below in the application process and in the implementation of the grant.

(2) These procedures do not apply to projects that are awarded directly to subgrantees by the Arkansas Historic Preservation Program.

(c) **Architectural contracts.**

(1)(A) The council requires that an architect prepare plans and specifications for a rehabilitation/restoration project funded with council funds.

(B) Architectural services must be obtained through the State of Arkansas procedures for obtaining professional services.

(C) A grantee with a total project cost of ten thousand dollars (\$10,000) or more is required to engage the services of an architect licensed by the State of Arkansas.

(D) The architect will:

(i) Prepare and certify plans, specifications, a work-cost breakdown, and other required contract documents for submission to the council; and

(ii) Supervise the project work.

(E) The requirement for an architect or a licensed architect may be waived if the Secretary of the Arkansas Natural and Cultural Resources Council determines that in-house expertise is available in the applicant agency.

(2) After a grant award is made, the architect selected by the grantee is to arrange to meet with the designated staff of the Arkansas Historic Preservation Program to discuss the project in detail.

(3) Architectural fees can be included in the fundable expenses of the grant.

(d) **Contractors.**

(1)(A) Contractors shall be selected by means of the State of Arkansas procedures.

(B) The council requires that a grantee with a total grant project of ten thousand dollars (\$10,000) or above retain the services of a licensed contractor.

(C) Contractors employed by grantees shall be licensed by the Contractors Licensing Board.

(D) Contractors shall indicate on the bid their current license number as issued by the board.

(2) This requirement may be waived if the Secretary of the Arkansas Natural and Cultural Resources Council determines that in-house expertise is available in the applicant agency.

(3) Contractors' fees may be included in the fundable expenses of the grant.

**(e) Project preparation/plans and specifications.**

(1) All rehabilitation/restoration grants must be in accordance with the guidelines listed in the United States Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring, and Reconstructing Historic Buildings.

(2) If the scope of a grant project includes interior work, that work shall be made accessible to the handicapped according to the Architectural Barriers Accessibility Act of 1989, Arkansas Code § 20-14-601 et seq. [repealed], or its successor, including considerations for historic properties.

(3) Work completed as part of the council grant shall also comply with the Arkansas Fire Code, including considerations for historic properties.

**(f) Project initiation.**

(1)(A) If a grant application is for a rehabilitation/restoration project, the staff of the council will route the application to the Arkansas Historic Preservation Program staff for a review of the application.

(B) This review will be in addition to the council's staff review of grants.

(C) The Arkansas Historic Preservation Program staff will indicate that it has reviewed the application before the application is forwarded to council members.

(2) This review will be for the determination of the property's eligibility for listing on the National Register of Historic Places.

(3)(A) A list of the eligibility requirements for the National Register of Historic Places is as follows.

(B) **National Register of Historic Places criteria.** The quality of significance in American history, architecture, archeology, and culture is present in districts, sites, buildings, structures, and objects that possess integrity of location, design, setting, materials, workmanship, feeling, and association and that:

(i) Are associated with events that have made a significant contribution to the broad patterns of our history;

(ii) Are associated with the lives of persons significant in our past;

(iii) Embody the distinctive characteristics of a type, period, or method of construction, or that represent the work of a master, or that possess high artistic values, or that represent a significant and distinguishable entity whose components may lack individual distinction; or

(iv) Have yielded, or may be likely to yield, information important in prehistory or history.

**(C) Criteria consideration (exceptions).**

(i) Ordinarily cemeteries, birthplaces, or graves of historical figures, properties owned by religious institutions or used for religious purposes, structures that have been moved from their original locations, reconstructed historic buildings, properties primarily commemorative in nature, and properties that have achieved significance within the past fifty (50) years shall not be considered eligible for the National Register of Historic Places.

(ii) However, such properties will qualify if they are integral parts of districts that do meet the criteria or if they fall within the following categories:

*(a)* A religious property deriving primary significance from architectural or artistic distinction or historical importance;

*(b)* A building or structure removed from its original location but that is significant primarily for architectural value or that is the surviving structure most importantly associated with a historic person or event;

*(c)* A cemetery that derives its primary significance from graves of persons of transcendent importance, from distinctive design features, or from association with historic events;

*(d)* A reconstructed building when accurately executed in a suitable environment and presented in a dignified manner as part of a restoration master plan, and when no other building or structure with the same association has survived;

*(e)* A property primarily commemorative in intent if design, age, tradition, or symbolic value has invested it with its own historical significance; or

(f) A property achieving significance within the past fifty (50) years if it is of exceptional importance.

(4)(A) After receipt of a grant award, the grantee will submit the project plans, specification, and work-cost breakdown to the designated Arkansas Historic Preservation Program staff.

(B) If clarification or additional information is required, the grantee will be contacted.

(C) The Arkansas Historic Preservation Program will review each grant project and notify the Secretary of the Arkansas Natural and Cultural Resources Council of its findings.

(D) The Secretary of the Arkansas Natural and Cultural Resources Council will mail a written notice to the grantee that work may begin on the project.

(E) The grantee must notify the council of the date upon which construction work will begin.

**(g) Review by the Arkansas Historic Preservation Program.**

(1)(A) After project plans are reviewed, any substantive architectural or construction changes or any changes that may compromise the historic integrity of the property must be reviewed by the Arkansas Historic Preservation Program.

(B) This is for changes made during the period of the grant project.

(2)(A) Any changes relating to architecture or construction made to the project after the project plans are approved and during construction must be reviewed and approved in writing by the Arkansas Historic Preservation Program.

(B) The staff of the Arkansas Historic Preservation Program will notify the Secretary of the Arkansas Natural and Cultural Resources Council of the changes prior to approving them.

(C) Designated staff of the Arkansas Historic Preservation Program may inspect the project before, during, and after the completion of the work.

(D) The grantee and project architect are encouraged to contact the Arkansas Historic Preservation Program with questions at any time before or during work on the project.

(E) Grantees are encouraged to take advantage of the expertise available from the Arkansas Historic Preservation Program staff before beginning work on a questionable item.

(F) All project work should follow guidelines of the United States Secretary of the Interior's Standards as closely as possible.

(3)(A) The staff of the Arkansas Historic Preservation Program will notify the Secretary of the Arkansas Natural and Cultural Resources Council of any instance of unsatisfactory work.

(B) Failure by the grantee to follow the guidelines of the United States Secretary of the Interior's Standards or the recommendations of the Arkansas Historic Preservation Program staff may result in:

- (i) The forfeiture of the grant's outstanding payments; and
- (ii) A recall of already awarded funds.

(C) Further penalties are noted under 15 CAR § 311-308, legal, financial, and reporting requirements for grant recipients.

**(h) Appeal process for decisions on historic properties.**

(1)(A) If a grantee disagrees with a decision made by the Arkansas Historic Preservation Program review staff, the agency may appeal the decision or recommendation to the council's officers.

(B) This appeal shall be made in writing and filed within twenty (20) working days of the grantee agency's receipt of the Arkansas Historic Preservation Program's final decision.

(2) The officers shall meet within ten (10) working days of receipt of the appeal (or on a date mutually agreed upon by both parties) and determine the course of action to be taken.

(3)(A) The officers may choose to have the full council review the appeal.

(B) If so, the Chair of the Arkansas Natural and Cultural Resources Council shall call a special called meeting of the full council to be held within twenty (20) working days of the officers' meeting (or on a date mutually agreed upon by both parties) to hear the appeal.

(C) The decision of the full council shall be final.

(4)(A) If a grantee agency is dissatisfied with the determination made by the officers, the agency may request a hearing by the full council.

(B) The chair shall call a special called meeting of the full council to be held within twenty (20) working days of the receipt of the request for a hearing (or on a date mutually agreed upon by both parties).

(C) The decision of the full council shall be final.

**(i) Maintenance and administration.**

(1) Grantees who own the properties assisted by council funds must agree that the property shall be maintained to every extent possible according to the United States Secretary of the Interior's Standards.

(2) Additionally, the grantee must agree to give the grantor the right to inspect the property at all reasonable times to ascertain the grantee's compliance with the grant agreement.

**(j) Notification of transfer of title.** The owner must agree to notify the council within ninety (90) days of a transfer of title.

**(k) Site visits.**

(1) As work on the project progresses, the council staff or designated Arkansas Historic Preservation Program staff may make periodic site visits to inspect the work.

(2) Once work has begun on the project, the site visits may be made without notification to the grantee.

**(l) Application, request for funds, signage, and reporting.** The grantees receiving council funds for rehabilitation or restoration work will be subject to the same requirements for application, funding requests, signage, reporting, and all other requirements as those required of all other council grantees.

**Authority.** Arkansas Code § 15-12-102.

**Codification Notes.** The Architectural Barriers Accessibility Act of 1989, Arkansas Code § 20-14-601 et seq., was repealed by Acts 1993, No. 876, § 1.

**15 CAR § 311-307. Application instructions.**

**(a) Application form.**

(1) Each grant application must include a completed Arkansas Natural and Cultural Resources Council grant application form.

(2) Grant applications may include more than one (1) like project.

**(b) Approval by agency's chief officer and board.**

(1) Each state agency applicant must certify that:

(A) The grant proposal has been previously submitted to and approved by its respective institution's chief (department director, president, chancellor, etc.) and its board, commission, or council; and

(B) It has complied with its own agency review process, including public comment, if applicable.

(2) The name and telephone number of the applicant's fiscal officer who will be handling the finances of the grant project are also required.

**(c) Acquisition project requirements.**

(1) Agencies applying for acquisition funds must:

(A) Submit or have on file with the Arkansas Natural and Cultural Resources Council the procedures required for acquisition by their respective board, commission, or council; and

(B) Verify that such procedures have been met.

(2) A copy of the appraisal for the acquisition of the property and/or item must be submitted to Secretary of the Arkansas Natural and Cultural Resources Council as soon as it is received after grant awards are made.

(3) If the applicant already has an appraisal, it should be submitted with the application.

**(d) Application obligations.**

(1) Parties to a grant agreement specifically recognize that grant assistance from the Arkansas Natural and Cultural Resources Council creates an obligation to maintain the property described in the project agreement consistent with the Arkansas

Natural and Cultural Resources Grants and Trust Fund and other Arkansas Natural and Cultural Resources Council requirements.

(2) The applicant agrees that the project is being acquired, developed, renovated, managed, or maintained with Arkansas Natural and Cultural Resources Council grant funds (or that such funds are integral to the project) and thus, without the written approval of the Arkansas Natural and Cultural Resources Council, it shall not be converted to a use that would compromise the integrity of the original grant project.

(3) The applicant also agrees that the owner of the property being assisted by Arkansas Natural and Cultural Resources Council funds will notify the Arkansas Natural and Cultural Resources Council within ninety (90) days of a transfer of title.

(4) By the acceptance of an Arkansas Natural and Cultural Resources Council grant, the grantee will give the Arkansas Natural and Cultural Resources Council or its designee the right to inspect the property at all reasonable times to ascertain the grantee's compliance with the grant agreement.

(e) **Returned funds.**

(1)(A) If, for some reason, a grant project is terminated or if actual costs are less than anticipated or if the grant contract date has expired, all remaining unobligated funds will be returned to the Arkansas Natural and Cultural Resources Council.

(B) All such funds shall be reclaimed by the Arkansas Natural and Cultural Resources Council at the beginning of the new fiscal year or at the ending of a grant that is terminated mid-year.

(2) The Arkansas Natural and Cultural Resources Council may determine if the returned funds will be added to the Arkansas Natural and Cultural Resources Council's separate trust fund, to the amount set aside that year for emergency grants, or returned to the Arkansas Natural and Cultural Resources Council's grants fund for awarding the following regular grant cycle.

(f) **Grant extensions.**

(1)(A) If a grant project is delayed due to conditions beyond the applicant's control, the applicant may request in writing an extension of the project period.

(B) The Arkansas Natural and Cultural Resources Council will provide a form for applicants needing grant extensions.

(C) Arkansas Natural and Cultural Resources Council staff will request notice of extension needs in the spring of each year prior to the May funding meeting.

(D) No more than one (1) extension shall be approved per grant.

(2)(A) The Arkansas Natural and Cultural Resources Council shall grant the officers of the Arkansas Natural and Cultural Resources Council (as a group) the authority to grant extensions for projects having unavoidable delays.

(B) Any such extension:

(i) Must have the approval of a majority, two (2) of the three (3) Arkansas Natural and Cultural Resources Council officers; and

(ii) Shall be reviewed by the full Arkansas Natural and Cultural Resources Council at the next regular meeting.

**(g) Application procedures by category.**

**(1) Annual grants (projects to be implemented during July of the year of the funding meeting and completed by the end of the fiscal year).**

(A) One-time extensions for annual grants will require no new funding for the extended time period.

(B)(i)(a) Fifteen (15) copies of the grant application will be required.

(b) However, only one (1) copy is to be submitted by the initial deadline of March 1.

(ii) Photographs of the potential project site are requested as part of the application package.

(iii) Applicants will be encouraged to contact the Division of Arkansas Heritage staff for assistance in preparing an application prior to its submittal to lessen the chance for errors.

(iv) After the Division of Arkansas Heritage staff reviews the grant application for completeness and accuracy, the applicant will be notified to submit the remaining fourteen (14) copies of the application by a specific date.

(C)(i) After the Division of Arkansas Heritage receives all applications they will be forwarded to the Arkansas Natural and Cultural Resources Council members no later than April 1.

(ii) Failure of an applicant to submit the corrected fifteen (15) copies of a grant application by the established deadline may result in the application being disqualified.

(D)(i) At the annual funding meeting in May, the applicant may make a presentation to the Arkansas Natural and Cultural Resources Council to explain the grant proposal.

(ii) The presentation will be limited to five (5) minutes per application.

(E)(i) The Arkansas Natural and Cultural Resources Council will determine the projects to be awarded at the annual funding meeting.

(ii) If a proposal is approved, all forms needed to implement the grant will be prepared for the grant to begin by July 1.

**(2) Emergency grants (grants to be approved by the Arkansas Natural and Cultural Resources Council for emergency needs that arise during the fiscal year).**

(A)(i) Emergency grants are not for the purpose of circumventing the regular grant review procedures.

(ii) Emergency grants are not awarded to any project that could normally be sent through the regular grant review and approval process.

(B) Applications are not eligible if they:

(i) Follow immediately after the regular grant deadline and reflect no apparent emergency; or

(ii) Could normally be reviewed at the regular deadline for annual grants.

(C) There is no limit to the number of emergency grants that may be awarded, as long as the total amount for emergency grants determined by the Arkansas Natural and Cultural Resources Council for that year is not exceeded.

(D) Applicants should submit five (5) copies of the Arkansas Natural and Cultural Resources Council grant application to the secretary.

(E) A copy of the grant application will be sent to each Arkansas Natural and Cultural Resources Council officer.

(F)(i) The Arkansas Natural and Cultural Resources Council officers will review the grant for approval.

(ii) The officers will use the same review criteria of the Arkansas Natural and Cultural Resources Council and will consider the significance and critical nature of each project as it applies to the Arkansas Natural and Cultural Resources Council's purposes.

(G) The officers, by an affirmative vote of two (2) members, may approve the grant.

(H) Proper documentation according to state procedures will be implemented by the secretary to begin the grant immediately.

(I) All legal, financial, and reporting requirements are the same for emergency grants as for other grants.

(h) **Annual meeting.**

(1)(A) An annual funding meeting shall be held prior to May 15.

(B) At that meeting, a report of the funds collected, donations, returned funds, and all other funds available for granting for the next grant period (July 1 – June 30) will be provided to the Arkansas Natural and Cultural Resources Council members.

(2) Actions at the annual meeting will include, but not be limited to, the following:

(A) The Arkansas Natural and Cultural Resources Council will determine the percentage of funding to be placed in the Natural and Cultural Resources Council Historic Preservation Trust Fund (as opposed to the Arkansas Natural and Cultural Resources Grants and Trust Fund) for the year;

(B) A division of funding for new annual and emergency grants may be determined;

(C) Final reports from grant projects completed in the previous year will be reviewed and filed;

(D) Changes to bylaws or procedures may be considered;

(E) Election of officers will be held; and

(F) Meeting dates will be established for the next year.

**Authority.** Arkansas Code § 15-12-102.

**15 CAR § 311-308. Legal, financial, and reporting requirements for grant recipients.**

**(a) Contracts.**

(1)(A) After award decisions are made, award letters, contracts, final budget forms, and instructions shall be mailed to recipients.

(B) All documents are to be completed, signed, and returned to the Arkansas Natural and Cultural Resources Council by the stated deadline.

(C) Failure to return the completed forms by the deadline may result in a delay of funding or forfeiture of the grant.

(2)(A) Once the terms of the grant are finalized, no substantive changes that affect the scope or completion of the project may be made in the program or budget as described in the original grant application unless the grantee submits a written request for a change in advance.

(B) This request is to be submitted to the Secretary of the Arkansas Natural and Cultural Resources Council, who may approve the request or may determine that the Arkansas Natural and Cultural Resources Council officers as a group review the request.

(3)(A) The grant contract is a legal document.

(B) The grant recipient's failure to abide by the terms of the grant contract will result in immediate suspension of outstanding payments and recall of allocated funds.

(4) The forfeiture of a grant under such conditions:

(A) Will be reported to the Governor and to the Legislative Council; and

(B) May result in the Arkansas Natural and Cultural Resources Council no longer accepting grant applications from the forfeiting agency.

(5) Legal remedies available to the Arkansas Natural and Cultural Resources Council under state laws may be pursued.

**(b) Distribution of grant payments.**

(1)(A) When a grant award is made, the state agency receiving the grant is given a new state appropriation and funding specific to the grant.

(B) The Department of Finance and Administration will establish an appropriation code and a fund code for each grant.

(2)(A) Moneys are transferred to the grantee's new fund account according to the schedule the grantee requests as part of the grant award packet.

(B) The funding schedule is established at the beginning of the grant.

(C) An accurate estimate of timing of funds is important since the Arkansas Natural and Cultural Resources Council invests funds not being used by grantees.

(D) Early withdrawals are discouraged and allowed only with the approval of a written request by the secretary.

(3) All expenditures are subject to the State of Arkansas accounting procedures and purchasing laws and rules.

**(c) Audit requirement.**

(1) For accounting purposes, financial records shall reflect all obligations and disbursements of grant and matching moneys.

(2) The financial accounts shall be subjected to audit by the agencies of the Arkansas Natural and Cultural Resources Council, State of Arkansas, and/or the federal government, as applicable.

(3) The grantee shall be responsible for the safekeeping and identification of records maintained to account for funds awarded by the Arkansas Natural and Cultural Resources Council.

(4) Said records must be kept in the grantee's file for a period of three (3) years after completion of the project.

**(d) Compliance with state and federal laws.**

(1) Each grant project will comply with all applicable state and federal laws relating to the nature and purposes of the grant project (i.e., acquisition of lands, handicapped accessibility, state clearinghouse procedures, retention of records, etc.).

(2) The Arkansas Natural and Cultural Resources Council recommends voluntary compliance with federal laws appropriate to the project that may not be formally required of the applicant, such as environmental, fish and wildlife, historic preservation, civil rights, and equal employment laws.

**(e) Reports.**

(1) Grant recipients are required to submit reports during the year to the secretary.

(2) For all grants, unless dispensation is granted by the officers and noted in the grant award agreement, a mid-year financial summary and activity report ("progress report") will be due on January 31.

(3) For all grants, a final financial summary (including certification of cash match, in-kind contributions, and copies of the official state financial report for all expenses), final narrative/activity reports ("final report") and photographs of the completed project as applicable are due no later than thirty (30) calendar days after the project's completion or July 31, whichever comes first.

(4)(A) Grant recipients shall submit a complete progress report no later than January 31 and a final report no later than July 31.

**(B) Reports should include:**

(i) Detailed narratives identifying the accomplishments associated with each project element;

(ii) Financial information for the specified time period with outline of expenditures related to each project element and appropriate AASIS reports;

(iii) Appropriate photographs or other documentation to give a clear impression of the project's progress through the specified date;

- (iv) Difficulties the project encountered should be discussed;
- (v) Confirmation of signage displayed at the site;
- (vi) Copies of articles from newspapers, magazines, or other publications related to the project; and
- (vii) Copies of any publications or research produced in conjunction with the project.

(5)(A) Grantees should submit appropriate reports as outlined in the schedule: January 31 and July 31.

(B) A deadline extension should be requested in writing if the grantee is unable to submit the reports on time.

(C) Failure to submit reports as agreed should be reported to the Arkansas Natural and Cultural Resources Council by the Arkansas Natural and Cultural Resources Council staff.

**(f) Project directors' meeting.**

(1) After grant awards are made, a meeting will be held for all project directors of funded grants.

(2) Participation in the annual project directors' meeting is mandatory.

(3) Any grantee who does not send appropriate personnel to review the Arkansas Natural and Cultural Resources Council procedures at this meeting shall not receive funds until the grantee has made arrangements to meet with appropriate:

(A) Arkansas Natural and Cultural Resources Council staff;

(B) Fiscal management staff; and

(C) Arkansas Historic Preservation Program staff.

**(g) Signage.**

(1)(A) Permanent signage for each project funded by the Arkansas Natural and Cultural Resources Council is required.

(B) A specific description of the requirements will be provided to each applicant as part of the annual grant application guidelines.

(C) Applicants for emergency grants will be provided the same information.

(D) Each grant contract will include an agreement by the applicant to comply with the signage requirements.

**(2) Provision of signs.**

(A) Each grantee will be provided with one (1) sign per project site.

(B) This sign will be of metal, size twelve inches by eighteen inches (12" x 18").

(C) Each grantee will also be provided camera-ready artwork for an Arkansas Natural and Cultural Resources Council logo for use in printed materials concerning their grant projects.

**(3) Additional signs.**

(A) If a grantee feels that a grant project needs more than one (1) permanent sign, a request for additional signs with justification as to the need may be submitted to the secretary.

(B) The secretary may grant additional signs for projects.

(C) If a grant project is for further development or expansion of an existing site that already has a permanent Arkansas Natural and Cultural Resources Council acknowledgement sign, another sign is not necessary.

**(4) Alternate forms of sign.**

(A)(i) If the grantee feels that the standard twelve inches by eighteen inches (12" x 18") metal sign available at no charge from the Arkansas Natural and Cultural Resources Council is not appropriate for a particular project, the grantee may request the Arkansas Natural and Cultural Resources Council sign artwork for the purpose of creating a more appropriate permanent sign.

(ii) The Arkansas Natural and Cultural Resources Council will provide the selected PMS colors (which are currently PMS 468C Cream for background and PMS 301c Blue for lettering) and camera-ready artwork in approximate sizes as follows:

*(a)* Seven inches by nine inches (7" x 9");

*(b)* Eight and one-half inches by eleven inches (8 1/2" x 11");

*(c)* Ten inches by twelve inches (10" x 12"); and

*(d)* Twelve inches by eighteen inches (12" x 18").

(B)(i) The grantee may produce a permanent sign from other materials, such as a decal, framed document, bronze or wooden plaque, etc.

(ii) However, the grantee will bear the cost for the production and installation of the alternate sign.

(iii) This cost may not be paid from Arkansas Natural and Cultural Resources Council funds.

(C) If a grantee does not plan to use a metal sign or alternate sign as provided by the Arkansas Natural and Cultural Resources Council, a description of the sign intended to be used must be approved by the secretary prior to the sign's creation and installation.

(5) **Publications.** Any publication produced in part or in whole with Arkansas Natural and Cultural Resources Council funding:

(A) Should use the Arkansas Natural and Cultural Resources Council logo provided by the Arkansas Natural and Cultural Resources Council; and

(B) Must contain the following statement:

"This publication was produced (in part) by a grant from the Arkansas Natural and Cultural Resources Council, funded by the Arkansas Real Estate Transfer Tax."

(6) **Responsibility for installation.**

(A)(i) Each grantee will be responsible for the permanent installation of the project sign.

(ii) A permanent sign acknowledging receipt of the Arkansas Natural and Cultural Resources Council moneys must be in place before a final report will be accepted from the grantee.

(B)(i) A detailed description of the location of the installed permanent sign must accompany the grantee's final report.

(ii) If more signs than one (1) are granted for a project, the grantee must submit a description of the location of the installation of each sign along with the final report.

(C) If appropriate to the nature of the project, the permanent sign should be erected at the onset of construction or work at a project site.

(7) **Location of installation.** Signs are to be placed in an appropriate location of maximum visibility.

(8) **Replacement of signs.**

(A) If a metal sign provided by the Arkansas Natural and Cultural Resources Council becomes damaged and needs to be replaced, a replacement sign may be requested of the Arkansas Natural and Cultural Resources Council.

(B) The request should be in writing and include a justification.

(C) The requests should be sent to the secretary, who may approve the request.

(9) **Requirements for subgrantees.** If a grantee's project involves subgrantee activities, the grantee's requirements for subgrants must include these same signage requirements.

(10) **Further information.** Questions about sign requirements not covered in this part should be submitted to the secretary, who:

(A) Shall advise the inquiring party consistent with the signage requirements; or

(B) May determine that the Arkansas Natural and Cultural Resources Council officers or entire Arkansas Natural and Cultural Resources Council as a group address the questions.

(h) **Publications.** If a publication is produced with Arkansas Natural and Cultural Resources Council grant funds, one (1) copy of the publication must be given to the Arkansas Natural and Cultural Resources Council as part of the grant's final report.

(i) **Forms.**

(1) Attached are samples of the Arkansas Natural and Cultural Resources Council grant forms.

**(2) Application.**

(A) Arkansas Natural and Cultural Resources Council Grant Application.

(B) Forms completed after a grant is awarded:

- (i) Arkansas Natural and Cultural Resources Council Grant Award Agreement;
- (ii) Arkansas Natural and Cultural Resources Council Budget Form;
- (iii) Arkansas Natural and Cultural Resources Council Grantee Progress Report; and
- (iv) Arkansas Natural and Cultural Resources Council Grantee Final Grant Report.

**(j) Personnel.**

(1)(A) Each grant recipient shall specify in writing one (1) grant contact and one (1) fiscal officer.

(B) It is the responsibility of the grant recipient to keep the Arkansas Natural and Cultural Resources Council informed of any changes in the designated contacts.

(C) The grant contact must be employed by the grantee agency.

(2)(A) Arkansas Natural and Cultural Resources Council funds cannot be used to pay for consultants to:

- (i) Write grant applications or reports; or
- (ii) Manage the granted funds.

(B) The agency applying for an Arkansas Natural and Cultural Resources Council grant shall be responsible for providing personnel to:

- (i) Write and manage the grant;
- (ii) Focus the project on the scope of the Arkansas Natural and Cultural Resources Council contract;
- (iii) Respond to questions;
- (iv) Submit reports in a timely manner;
- (v) Provide appropriate financial documents and reports; and
- (vi) Monitor the work of:

- (a)* Architects;
- (b)* Contractors;
- (c)* Consultants; and
- (d)* Extra help workers.

**Authority.** Arkansas Code § 15-12-102.

**Codification Notes.** "AASIS" means Arkansas Administrative Statewide Information System.