

Force Account (use of recipient employees)
Earmark Project Management

Recipients Who Intend to Use Force Account

Policy

Grantees must document that they have the staff, experience, and equipment to perform the task to perform project building tasks using their own forces (“force account”).

Background

Local government grantees sometimes have facilities and staff able to perform minor municipal repair work. Usually, though, local governments do not have the staff, experience, or equipment required to plan, design, construct, and inspect major infrastructure construction projects.

Project building tasks are generally performed by specialized architect/engineers and construction contractors under contract to the grantee. Occasionally larger local governments wish to perform some of this work using their own forces. To ensure the grant-funded project will be completed successfully, the responsible oversight agency (either state oversight review agency or the EPA Project Officer and Grants Specialist should confirm the grantee’s ability to undertake and complete the work they propose to perform. This decision is based upon the documentation provided by the recipient as discussed below. A short analysis summarizing the requirements below ending with a signed statement by the responsible official that they have the capabilities and systems in place will suffice.

Considerations

- Grantees must provide a discussion which addresses how they have the ability to design, construct, or provide construction support services for the project. This discussion must address both technical ability (skills, experience, and availability of equipment and labor) and managerial ability (management and clerical skills, experience, availability). Experience and expertise may cover all or a portion of the project. For instance, a grantee may have a lot of experience in installing water lines. This experience could support the use of force account for installing sewer lines.
- Grantees must show that the use of force account will be cost-effective.
- Direct costs (salary, FICA, and other direct employee benefit costs) must be supported by time and attendance records. Time cards must show all hours worked and identify the different cost objectives (working on this project versus constructing sewers in another

part of the community not related to the project). The time cards must be signed by the employee's supervisor.

- If indirect costs are being claimed, a cost allocation plan, as described in OMB Circular A-87, must be prepared and submitted to EPA for review and approval (if required) .
- Force Account work is limited to work that the recipient can demonstrate is within the technical skill and managerial ability of the recipient and its forces. Smaller organizations often have the equipment and ability to handle sewer/water line construction, small paving jobs, fencing, landscaping and even installation of grinder pumps, as long as item #1 is met. More complex projects that involve specialized experience and equipment should be done by an independent contractor that is procured in accordance with Part 31 regulations (sealed, competitive bids).
- An independent resident inspector should be hired to inspect the force account work. Procurement of the resident inspector must comply with the Part 31 regulations. By providing an independent inspector, grant recipients will avoid the appearance of a conflict of interest.
- Grant recipients remain subject to the MBE/WBE requirements. Where opportunities exist to utilize MBE/WBE firms (such as purchasing of equipment/supplies, pipe, manholes, electrical components, etc.), the grantee must document that the 6 affirmative steps (Part 31.36 (e)) were complied with to actively solicit for MBE/WBE participation.