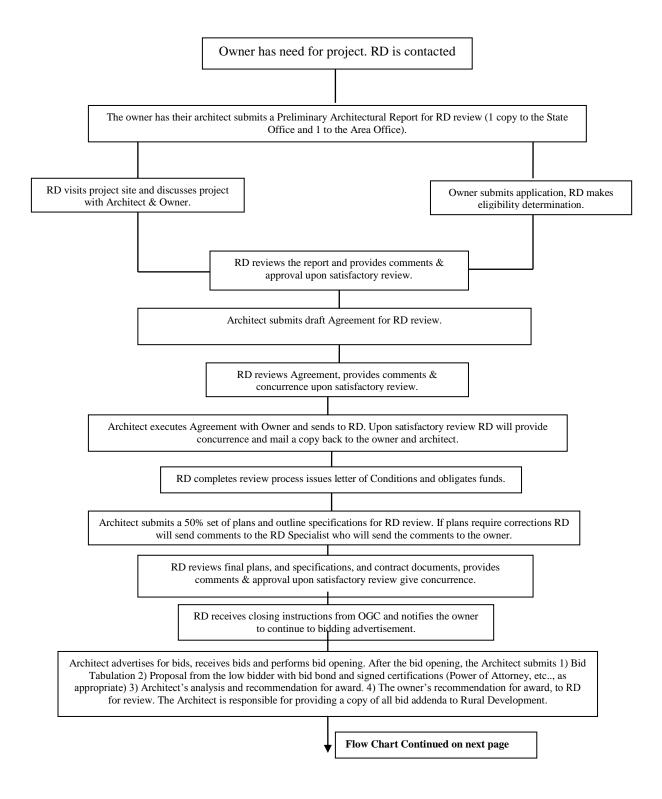
Community Facility Loans/Grants Architect Flow Chart



Upon satisfactory review of the bid documents, Rural Development will provide a letter of concurrence for award. Once RD has given concurrence the Owner issues Notice of Award. Architect prepares and sends RD 3 original copies of the Agreements (signed by owner and contractor), Performance and Payment bonds, Power of Attorney, Certificates of Insurance (as required in contract) and Certificate of Owner's Attorney. If not being processed with the State Office Support Staff assistance all items must be sent through the RD Office, working with the loan and then forwarded to State Office for concurrence. Upon satisfactory review of contracts, RD State Director or Authorized Staff will sign for agency concurrence and mail 2 originals back to the Architect for distribution to owner and contractor. Prior to the preconstruction conference, the Architect must submit a resume of qualifications of the resident inspector to the owner and to RD for acceptance in writing. Fill-time resident inspection is required for all construction unless a written exception is made by RD upon written request of the owner. The resident inspector is required to maintain a record of daily construction progress. Pre-construction conference is held with Architect, RD, and other funding agencies, owner, contractor, significant subcontractors, and others as needed. Owner issues Notice to Proceed. Invoices for payment of construction costs must be approved by the owner, Architect, and concurred in by RD. Typically this will be done on a monthly basis. Any change orders that may arise during the course of the construction must be clearly identified and explained through use of USDA RD Form 1924-7. All change orders must be approved by the owner, Architect, and concurred in by RD. In order to be approved, the change order must be justified and the cost must be reasonable. A prefinal inspection will be made by the owner, resident inspector, Architect, contractor, representatives, generally both Area and State Office. The inspection results will be recorded by the Architect and a copy provided to all interested parties. Architect executes AIA G704 "Certificate of Substantial Completion" and provides a copy to RD. The Final Check List of Items will be used to complete the required documentation prior to approval of the final payment with release of retainage. (AIA G706, G706A, G707 and Warranty) State Office will notify Loan Officer that Construction documentation is complete and ready for closing sending a memo and copies of documents. A final inspection will be made by the owner, Architect, and RD before final payment is made. Architect delivers as-built plans and O&M manuals to the owner. Architect, owner, and RD representative perform 11 month inspection. If no items of concern are noted during the inspection the project is complete.