PROGRAM 2 – VILLAGE SAFE WATER PROGRAM (VSW)
DEPARTMENT OF ENVIRONMENTAL CONSERVATION

I. PROGRAM OBJECTIVES

The objective of the Village Safe Water (VSW) Program is to assist small communities, through capital funding projects, to provide new or improved water, wastewater and solid waste facilities.

II. PROGRAM PROCEDURES

The VSW program is administered by the Department of Environmental Conservation (DEC), Division of Water (DW), Facility Programs component. The primary functions of the program are:

1) Funding allocation and distribution
2) Grant administration
3) Project oversight

VSW's allocation system is the Capital Improvement Program (CIP), where grant applications are submitted by interested and eligible communities. These applications are scored and ranked. Depending on the total capital funding projected to be made available, projects from this list are added to the statewide "Multi-Year Priority List" (MYPL). Funding is then made available for projects on the MYPL on an as-needed basis and as funding sources will allow. Grant agreements are made to communities and are administered by VSW. Expenses are reviewed and approved by the assigned VSW engineer in accordance with project scope and funding sources. Project accounting is performed by DEC, except for force account construction payroll, which is provided by a contractor. The assigned VSW engineer provides technical assistance and oversees the project. After the project is completed, a final report is completed (if required by the federal funding agency), including final reconciliation of all expenses, and then closed.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED AND UNALLOWED -

Compliance Requirement: Funds shall be expended only for the scope of work described in the grant agreement.

Suggested Audit Procedure: Review and compare reported costs, related documents, and grant agreement terms.

B. ELIGIBILITY -

The auditor is not expected to verify eligibility.

C. MATCHING, LEVEL OF EFFORT AND/OR EARMARKING REQUIREMENTS -

Compliance Requirement: If the grantee has been approved for alternative management and is managing their own VSW project, grantee shall meet the conditions outlined in their individual grant agreements including, but not limited to, requirements for eligible project expenses, accounting, engineering, procurement, and management.

Suggested Audit Procedures: Review project records to determine if:

a) Reported costs are eligible and within scope;

b) Proper documentation supports project activities such as accounting, engineering, management, and procurement.

c) Total project funding is not in excess of 100 percent of total project costs and all grant funds were utilized.

D. REPORTING REQUIREMENTS -

Compliance Requirement: Grantee must meet reporting requirements as stated in individual grant agreements for each project.

Suggested Audit Procedure: Review project records for compliance.

E. SPECIAL TESTS AND PROVISIONS -

Compliance Requirement: Grantee is to operate and maintain the system provided, assess user fees to ensure system is self-supporting, and select individuals trained to operate and maintain the facility.

Suggested Audit Procedure: Review system for operability to review documentation to ensure user fee assessment.