



## Funding Agreement

### Exhibit A

#### Monitoring Plan

Commission staff will monitor the Port's activities to ensure that the Funds are used for authorized purposes, in compliance with federal and state statutes and regulations, and the terms and conditions of any funding agreement.

- A. Ports must provide Commission staff with a summary outlining the intended fund use; cost estimates; expected outcomes and outputs; and performance indicators by which the port will evaluate whether the outcome(s) is achieved.
- B. Port staff may revise the cost estimates, outcomes, outputs, and performance indicators as needed but shall clearly identify any changes in the quarterly reports. If the Port receives less funds than requested in its Funding Request, these outcomes, outputs, and performance indicators shall be revised to reflect the final award.
- C. Commission staff will review the ports' quarterly reports, back up documentation related to obligations and expenditures, and audit reports and do the following:
  - Review whether projects are consistent with the objectives, restrictions, and guidelines of the 2021 Budget Act and ARPA.
  - Review whether expenditures are adequately documented, reasonable, and conform to the 2021 Budget Act and ARPA.
  - Assess whether the fund use outcomes and outputs are in line with the goals of the 2021 Budget Act and ARPA.
  - Assess whether the funds are being used consistent with the activities and outcomes and outputs outlined in the application and associated funding agreement.
  - Assess whether the Port is being timely by evaluating whether the work reported as completed is proportionate to the performance time remaining.
  - Assess whether the Port's reports reflect expenses commensurate with the progress of programs or activities undertaken with the State Fiscal Recovery Funds.
- D. If Commission staff detects potential non-compliance, Commission staff will follow-up with the Port and ensure that the Port takes timely and appropriate action on all potential deficiencies. When a port receives notice of potential non-compliance, the port must provide written confirmation highlighting the status of actions planned or taken to address the non-compliance. Commission staff will:
  - Notify the Port promptly when instances of non-compliance with the terms and conditions are suspected or when questionable situations requiring further inquiry arise.

- Work with the Port to address the potential non-compliance.
- Notify the Department of Finance and Attorney General's Office promptly when instances of suspected non-compliance with the terms and conditions are not resolved as appropriate or required by state law.
- Consider enforcement actions against the port, if necessary.
- Modify this Monitoring Plan as needed to ensure effective oversight.

Failure to correct non-compliance deficiencies in a timely manner may result in the port being required to return the respective funds to the state.