

including NCA staff, are familiar with the site and its characteristics.

(b) *Additional conferences.* At any time, VA may recommend an additional conference (such as a design development conference) be held in VA Central Office in Washington, DC, to provide an opportunity for the State and its architects to discuss requirements for a grant with VA officials.

(Authority: 38 U.S.C. 501, 2408.)

#### **§ 39.10 Application requirements.**

For a project to be considered for grant funding under this part, the State must submit an application (as opposed to a preapplication) consisting of the following:

(a) Standard Form 424 ("Face Sheet") with the box labeled "application" marked;

(b) Standard Form 424C ("Budget Information"), which documents the amount of funds requested based on the construction costs as estimated by the successful construction bid;

(c) A copy of itemized bid tabulations (If there are non-VA participating areas, these shall be itemized separately.); and

(d) Standard Form 424D ("Assurances-Construction Program").

(Authority: 38 U.S.C. 501, 2408.)

(The Office of Management and Budget has approved the information collection requirements in this section under control numbers 0348-0043; 0348-0041; 0348-0042.)

#### **§ 39.11 Final review and approval of application.**

Following VA approval of bid tabulations and cost estimates, the complete grant application will be reviewed for approval in accordance with the requirements of § 39.5. If the application is approved, the grant will be awarded by a Notification of Award of Federal Grant Funds.

(Authority: 38 U.S.C. 501, 2408.)

#### **§ 39.12 Hearings.**

(a) No application for a grant to establish, expand, or improve a State veterans' cemetery shall be disapproved until the applicant has been afforded an opportunity for a hearing.

(b) Whenever a hearing is requested under this section, notice of the hearing, procedure for the conduct of such hearing, and procedures relating to decisions and notices shall accord with the provisions of §§ 18.9 and 18.10 of this chapter. Failure of an applicant to request a hearing under this section or to appear at a hearing for which a date has been set shall be deemed to be a waiver of the right to be heard and constitutes consent to the making of a

decision on the basis of such information as is available.

(Authority: 38 U.S.C. 501, 2408.)

#### **§ 39.13 Amendments to application.**

Any amendment of an application that changes the scope of the application or increases the cost of the grant requested, whether or not the application has already been approved, shall be subject to approval in the same manner as an original application.

(Authority: 38 U.S.C. 501, 2408.)

#### **§ 39.14 Withdrawal of application.**

A State representative may withdraw an application by submitting to VA a written document requesting withdrawal.

(Authority: 38 U.S.C. 501, 2408.)

### **Subpart C—Award of Grant**

#### **§ 39.15 Amount of grants.**

(a) The amount of a grant awarded under this part may not exceed 100 percent of the total cost of the project, but may be less than that amount.

(b) The total cost of a project under this part may include:

(1) Administration and design costs, e.g., architectural and engineering fees, inspection fees, and printing and advertising cost.

(2) The cost of cemetery features, e.g., entry features, flag plaza and assembly areas, columbarium, preplaced liners or crypts, irrigation, committal-service shelters, and administration/maintenance buildings.

(3) In the case of an establishment grant, the cost of equipment necessary for the operation of the State cemetery. This may include the cost of non-fixed equipment such as grounds maintenance equipment, burial equipment, and office equipment.

(4) In the case of an improvement grant, the cost of equipment necessary for operation of the State cemetery, but only if:

(i) Included in the construction contract;

(ii) Installed during construction; and

(iii) Permanently affixed to a building or connected to the heating, ventilating, air conditioning, or other service distributed through a building via ducts, pipes, wires, or other connecting device, such as kitchen and intercommunication equipment, built-in cabinets, and equipment lifts.

(5) A contingency allowance not to exceed five percent of the total cost of the project for new construction or eight percent for renovation projects.

(c) The total cost of a project under this part may not include the cost of:

(1) Land acquisition;

(2) Building space that exceeds the space guidelines specified in this part;

(3) Improvements not on cemetery land, such as access roads or utilities;

(4) Maintenance or repair work;

(5) Office supplies or consumable goods (such as fuel and fertilizer) which are routinely used in a cemetery; or

(6) Fully enclosed, climate-controlled committal-service buildings, or chapels.

(d) VA shall certify approved applications to the Secretary of the Treasury in the amount of the grant, and shall designate the appropriation from which it shall be paid. Funds paid for the establishment, expansion, or improvement of a veterans' cemetery must be used solely for carrying out approved projects.

(Authority: 38 U.S.C. 501, 2408.)

#### **§ 39.16 Line item adjustment to grant.**

After a grant has been awarded, upon request from the State representative, VA may approve a change in a line item (line items are identified in Standard Form 424C, which is set forth in § 39.26(c)) of up to 10 percent (increase or decrease) of the cost of the line item if the change would be within the scope or objective of the project and would not change the amount of the grant.

(Authority: 38 U.S.C. 501, 2408.)

(The Office of Management and Budget has approved the information collection requirements in this section under control number 0348-0041.)

#### **§ 39.17 Payment of grant award.**

The amount of the grant award will be paid to the State or, if designated by the State representative, the State cemetery for which such project is being carried out, or any other State agency or instrumentality. Such amount shall be paid by way of reimbursement, and in such installments consistent with the progress of the project, as the Director of State Cemetery Grants Service may determine and certify for payment to the appropriate Federal institution. Funds paid under this section for an approved project shall be used solely for carrying out such project as so approved. As a condition for the final payment, the State representative must submit to VA the following:

(a) Standard Form 271 ("Outlay Report and Request for Reimbursement for Construction Programs") (The form is set forth at § 39.26.);

(b) A request in writing for the final architectural/engineering inspection, including the name and telephone number of the local point of contact for the project;

(c) The written statement "It is hereby agreed that the monetary commitment of