

§ 1753.29

7 CFR Ch. XVII (1-1-03 Edition)

§ 1753.29 Force account procedures.

(a) The borrower must obtain RUS approval of the force account method of construction of buildings in advance in order to obtain RUS financing.

(b) The borrower shall prepare the P&S in accordance with §1753.26.

(c) Prior to any construction activity or the purchase of materials or equipment, the borrower shall submit the FAP in duplicate to RUS, accompanied by a resolution indicating approval of the board of directors of the borrower or a letter signed by an authorized corporate official. The proposal shall include:

- (1) A Copy of the P&S.
- (2) An itemized list of all items of materials required for construction.
- (3) A construction schedule showing the estimated construction period for each major construction item.
- (4) An estimate of the material and labor and other costs for any construction item not provided for in the approved loan.

(d) Force Account construction to be financed with loan funds shall not be started until RUS approval has been received by the borrower.

[54 FR 39267, Sept. 25, 1989. Redesignated at 55 FR 39396, Sept. 27, 1990, and amended at 59 FR 43717, Aug. 25, 1994]

§ 1753.30 Closeout procedures.

(a) This section outlines the procedure to be followed to close out RUS Contract Form 257 (Contract to Con-

struct Buildings) and construction or rehabilitation performed by the force account method.

(b) *RUS Form 257 Contract.* (1) Whenever changes were made in the plans and specifications which did not require immediate submission to RUS of an amendment under §1753.11, a final contract amendment showing the changes shall be prepared.

(2) Upon completion of the project, the borrower shall obtain certifications from the architect or engineer that the project and all required documentation are satisfactory and complete. The requirements for this certification are contained in §1753.18.

(3) The engineer's or architect's contract closeout certification and the final amendment shall be submitted to RUS as a basis for the final advance of funds for the contract.

(4) After all required RUS approvals are obtained, final payment is made in accordance with article III of RUS Form 257 once the borrower has received the architect's or engineer's certifications regarding satisfactory completion of the project.

(c) Upon completion of force account construction, the borrower shall:

- (1) Arrange with its architect or engineer and the GFR for final inspection of the project.
- (2) Complete, with the assistance of its architect or engineer, the documents listed in the following table that are required for the closeout of force account construction.

DOCUMENTS REQUIRED TO CLOSEOUT CONSTRUCTION OF BUILDINGS

RUS Form No.	Description	Use with		No. of copies prepared by		Distribution	
		Contract	Force account	Contractor	Architect/engineer	Borrower	Contractor
238	Construction or Equipment Contract Amendment (if not previously submitted, send to RUS for approval).	X	.....	.....	(3)	(to RUS)	(to RUS)
181	Certificate of Completion (contract construction) ¹	X	.....	.....	2	1	1
231	Certificate of Contractor	X	.....	1	.....	1	.....
224	Waiver and Release of Lien From Each Supplier	X	.....	1	.....	1	.....
213	Certificate (buy American)	X	.....	1	.....	1	.....
None ²	"As Built" Plans and Specifications	X	X	.....	1	1	.....
None	Guarantees, Warranties, Bonds, Operating or Maintenance Instructions, etc.	X	.....	1	.....	1	.....
None	Architect/Engineer seismic safety certification	X	X	.....	2	1	1

¹ Cost of materials and services furnished by borrower are not to be included in Total Cost on RUS Form 181.
² When only minor changes were made during construction, two copies of a statement to that effect from the Architect will be accepted instead of the "as built" Plans and Specifications.