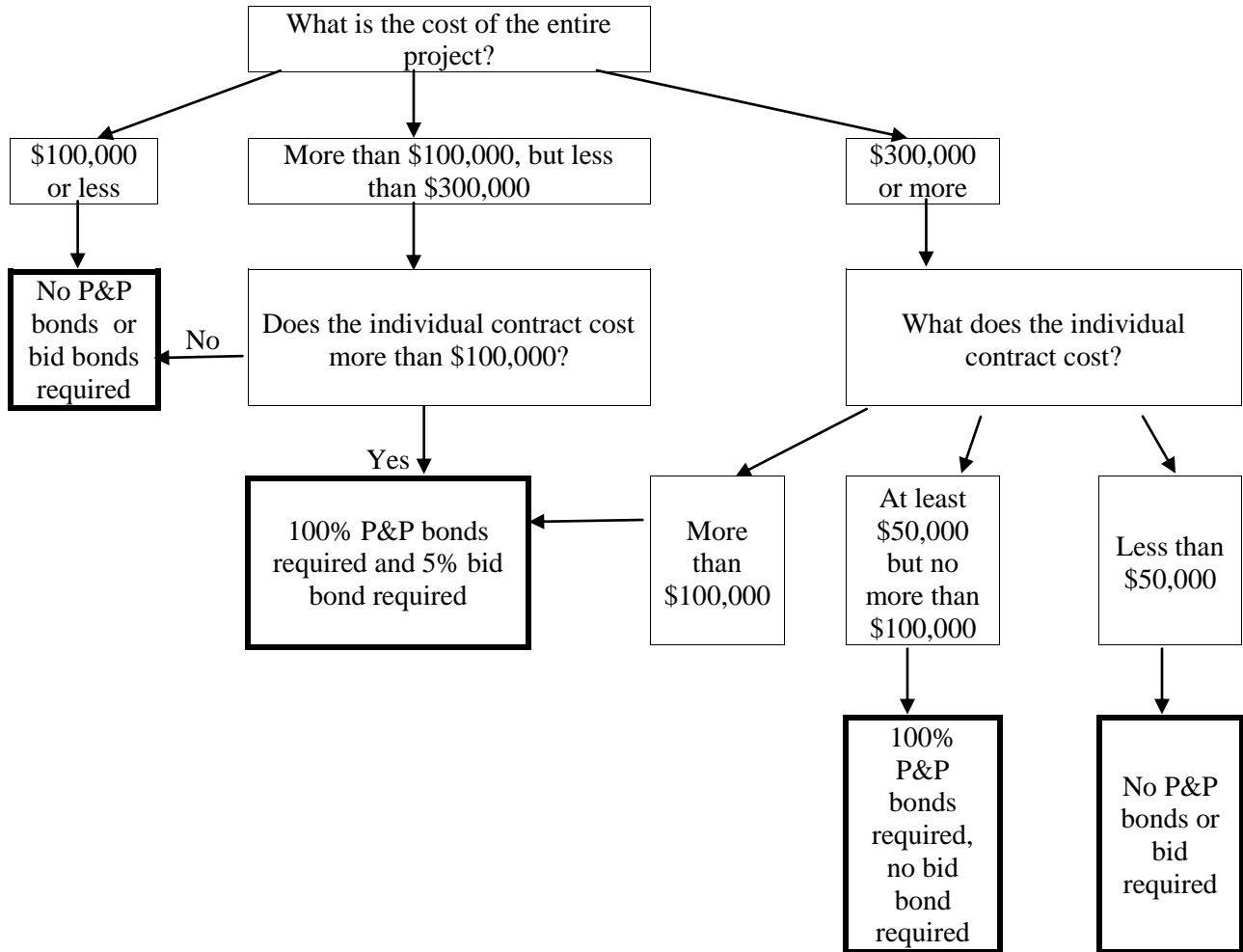


Flowchart: When are Bonds Required for a Construction Project Funded by Federal Grants?



P&P bonds = performance and payment bonds

Sources:

G.S. 44A-26 (requires 100% performance and payment bonds for projects costing \$300,000 or more for each contract costing \$50,000 or more)

Grants management common rule (requires 100% performance bond, 100% payment bonds, and 5% bid bond for each contract costing more than \$100,000)