

N.C. Division of Water Resources

Water Resources Development Grant Program – State & Local Spring 2023 Guidelines

Administered by: Division of Water Resources (DWR), N.C. Department of Environmental Quality (DEQ), 1611 Mail Service Center, Raleigh, N.C., 27699-1611. Contact Amin Davis, DWR State & Local Projects Grant Manager, at amin.davis@ncdenr.gov or (919) 707-9132.

Authority: DWR is authorized to provide grants to local governments for water resources development projects by General Statutes 143-215.70-.73 and 15A NCAC 02G .0100. These statutes can be viewed online at the following web addresses:

https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_143/GS_143-215.71.pdf
<http://reports.oah.state.nc.us/ncac/title%2015a%20-%20environmental%20quality/chapter%2002%20-%20environmental%20management/subchapter%20g/subchapter%20g%20rules.pdf>

Who is Eligible: Units of local government and local political subdivisions.

Application Deadlines: Applications are received throughout the year for two standard grant application cycles for all non-navigation projects listed below. The current Spring 2023 application cycle ends at the close of business on June 30, 2023. The next Fall 2023 application cycle will begin July 1 and will end on December 31, 2023. **Any application submittals that are not received or are not complete by these dates may not be eligible for review and funding for this application review cycle.**

Eligible Purposes and Cost-Share Percentages: The department may provide state funds in amounts not to exceed the percentages stated in G.S. 143-215.71 of either the nonfederal costs (in the case of a project with federal agency funds) or the total costs (in the case of a project not receiving federal funds). The General Assembly placed a 50% cost-share maximum on Water Resources Development Grant awards during their 2020 session. This limit will remain in place until rescinded by the General Assembly. Navigation and Natural Resources Conservation Service's Environmental Quality Incentives Program (NRCS-EQIP) stream restoration projects may be funded at a different percentage depending on the funding source. DWR can issue grants for the nonfederal share of water resources development projects for the following purposes: Based on limited annual funding received for grant awards statewide, Applicants are generally encouraged to not exceed a \$200,000 funding request (\$50,000 for engineering/feasibility studies); however larger awards may be granted on a case by case basis. **Additionally, it is recommended that Administrative costs not exceed 10% of the total project budget.** Grants may be made for the nonfederal share of water resources development projects for the following purposes:

- **Stream Restoration:** Restoration or stabilization of degraded streams & shorelines, aquatic barrier removals, etc.
- **Water Management:** Stormwater control measures, drainage, flood control, hydrologic restoration, etc.
- **Water-based Recreation Sites:** Greenways, Trails, Boardwalks; Paddle Access, Fishing Docks/Piers; land acquisition for water-based recreation sites operated by local governments.
- **Preliminary Feasibility or Engineering Study:** towards implementation of one of the four eligible categories listed here.
- **NRCS Environmental Quality Incentives Program (EQIP) Stream Restoration Projects**
 - See *NRCS EQIP Grant Guidelines* document on WRDG [website](#) for details.

Project Eligibility: Projects planned and constructed by a federal agency with a local cost-share and projects without federal assistance are both eligible for state financial assistance provided that the applicant is a unit of local government. **Non-eligible purposes include projects directly associated with maintenance, meeting an existing environmental permit requirement (i.e., NPDES Phase I and Phase II Stormwater) or regulatory enforcement action, generating nutrient credits and small watershed projects of the NRCS (reviewed by the N.C. Soil and Water Conservation Commission). Compensatory mitigation projects and the generation of compensatory mitigation credits for impacts to aquatic resources per the Federal Mitigation Rule (33 CFR Part 332) are non-eligible purposes.** Compensatory mitigation projects can be located directly adjacent to an eligible project for the purposes of achieving maximum ecological benefit. Should a compensatory mitigation project be conducted on land previously acquired using DWR grant funds the mitigation project sponsor shall reimburse either DWR or its grantee for the full value, plus appreciation, of the DWR investment in that portion of the land to be used for compensatory mitigation to ensure that DWR does not directly or indirectly subsidize the mitigation project.

Pre-Application Site Visit: A pre-application site visit shall be scheduled with the DWR Grant Administrator (or designee) to gather additional information regarding a proposed project to assist DWR in determining if the project meets the applicable review criteria listed in GS §143-215.72. **This site visit shall be scheduled with DWR prior to the end of the grant application cycle if possible. A scaled conceptual project plan map and brief project narrative shall be provided to the DWR Grant Administrator prior to this site visit. For greenway/trail projects, applicants are encouraged to flag proposed alignments if not in obvious rights-of-ways prior to a site visit.**

The primary objectives of this site visit are: 1.) for the DWR Grant Administrator (or designee) to address any questions or concerns the project team may have about this grant program; 2) for the project team to share with the DWR Grant Administrator information about the conceptual project plans, and 3.) for the DWR Grant Administrator to photo-document the project area to facilitate the application review process.

Application Submittal

An application for Water Resources Development Grant funding shall include information about the five items listed below to be considered complete. Additional supplementary documentation (reports, photos, etc.) are not required but can be provided as separate attachments via email. The most recent versions of all required forms and grant information shall be used and can be found at the following website: <https://deq.nc.gov/about/divisions/water-resources/water-resources-grants/financial-assistance>. Please check this website periodically for updates.

I. Application Spreadsheet (MS Excel) – The most recent version of the application spreadsheet shall be used. All applications should include the appropriate project information in the designated sheets including checklist confirmations, contacts, general information, narratives, treatment amounts, benefits, budget, and budget in-kind notes. Detailed instructions about how to complete this application are provided on the *Instructions* sheet of this spreadsheet.

The project narrative shall begin with a statement outlining the overall project scope (what is being proposed), followed by the project justification (why it is being proposed). For stream restoration projects, a brief description of how the proposed stream treatments will mitigate the documented stream impairments shall be included. **Information about proposed riparian buffers (minimum/maximum or average proposed widths) and stream crossings shall also be provided. For Preliminary Feasibility or Engineering Studies, a brief Letter of Commitment on the Applicant's official letterhead shall be provided** that clearly states: 1.) the primary purpose and objective(s) of this Study, 2.) the Applicant's intention to apply to the WRDG in a future grant cycle and implement an associated WRDG-eligible project

resulting from this Study within a reasonably short period of time (1-3 years), and 3.) the estimated project implementation timeline after completion of this Study. An updated project implementation timeline shall also be provided in the final Study report that is required as a grant deliverable at project closeout. **These studies may be used to more accurately determine project costs, benefits, or scale of development/implementation.**

The application budget will serve as the basis for the financial administration of the grant contract and reimbursement requests for projects that are awarded funding. Applicants shall list all sources of funding contributions (including federal and nonfederal funding) on the application's Budget Sheet to minimize the potential for duplicative funding for identical work activities associated with a single project. If a project includes, or may include other sources of grant funding, applicants are strongly encouraged to separate DWR-requested funding from other grant funding. This can be accomplished by not requesting matching funds from DWR for budget line items in which matching funds from other grants have been secured or may be applied for. For example, if grant funds have been secured, or are being requested for design services, then DWR funding should be requested for other budget categories besides design services.

Costs associated with land acquisition are only reimbursable for eligible Water-Based Recreation projects. DEQ will not reimburse any portions of land purchases that exceed 10% of the appraised land value but will reimburse up to a maximum of \$20,000 beyond the appraised land value. The costs associated with land acquisition or donation for non-Water-Based Recreation projects can designated as In-kind match for the project. Land transfers cannot have taken place beyond 14 months prior to the application date in order to counted as a matching contribution. Additionally reimbursable costs for project elements associated renovation, or with the construction of impervious surfaces such as buildings and paved surfaces should not exceed 25% of grant-reimbursable costs and 50% of total project costs. **The complete application will be included in the DEQ contract documentation; therefore, it is very important that its contents are accurate and complete.** Please see Land Acquisitions and Transfers section of *WRDG Reimbursement Instructions* at the end of this document.

II. Project Plan and Location Maps – A minimum of two scaled maps is required. The location map shall include the project footprint delineated on a USGS topographic quadrangle map, recent aerial photography, or other spatial reference data. This first map shall be at a large scale (zoomed out) to show the project area within the context of a watershed, county, or region. For phased projects this map should clearly delineate the distinct project phases. The project plan map shall be a conceptual plan that depicts the location of all project elements listed in the project narrative and listed as treatments in the Treatments sheet of the application. **Additionally, all water resources (surface waters, wetlands) located within the project area should be shown on this map.** This second map shall be smaller scale (zoomed in) to show greater detail within the immediate project area. **A conceptual plan at the 30% design stage is ideal but not required.**

III. Official Resolution* - The Applicant shall include a resolution adopted by the governing board stating the amount of state aid requested and accepting the applicant's responsibilities. A representative of the Project Sponsor with signatory authority shall sign this resolution. An Official Resolution template is available for download from our grant [website](#). In most circumstances the responsibilities listed below shall be included in the Official Resolution. However, this resolution template can be adapted to fit the unique circumstances of a specific project. **Written justification shall be provided to DWR for any responsibilities listed below that are not included in the Applicant's Official Resolution.**

1. Assume full obligation for payment of the balance of project costs.
2. Obtain all necessary state and federal environmental permits.
3. Comply with all applicable laws governing the award of contracts and the expenditure of public funds by local governments.
4. Supervise construction of the project to assure compliance with permit conditions and to assure safe and proper construction in accordance with approved plans and specifications.
5. Obtain appropriate easements, rights-of-way or suitable spoil disposal areas that may be necessary for the construction and operation of the project without cost or obligation to the State.
6. Assure that the project is open for use by the public on an equal basis with limited restrictions (if on public property).
7. Hold the state harmless for any damages that may result from the construction, operation, and maintenance of the project.
8. Accept responsibility for operation and long-term maintenance of the completed project.

** For “Feasibility / Engineering Study Grants” only Items 1 and 3 are required in the Resolution. See Study Resolution Template located on our [website](#).*

IV. No Conflict of Interest Documentation – Applicants must provide certification that the applicant, applicant’s subordinates and any person or persons designated to act on behalf of the applicant do not have an actual or apparent conflict of interest with respect to the project. A representative of the Project Sponsor with signatory authority shall sign this certification.

Additionally, DEQ now requires applicants to include a copy of their agency’s conflict of interest policy per NCGS §143C-6-23(b). This is separate from the above-referenced Conflict of Interest Certification and need only be filed once with DEQ unless changes or updates are made to the policy. The policy must address situations in which any of the Applicant’s management employees and the members of its board of directors or other governing body may directly or indirectly benefit (except as the Applicant’s employees or members of its board or other governing body) from the Applicant’s disbursing of State funds. The policy must also include actions to be taken by the Applicant’s or the individual, or both, to avoid conflicts of interest and the appearance of impropriety. A policy form template can be downloaded from our [website](#).

V. Supplementary Documentation – Additional supplementary documentation (reports, photos, letters of support, etc.) is not required but can be provided as separate attachments via email as part of the application submittal.

Application submittal documents shall be emailed to amin.davis@ncdenr.gov by the close of business of the last day of the application cycle. **The submittal shall consist of an Excel version of the completed application spreadsheet, at least two Adobe pdf documents labeled as *Map(s)* and *Signed Documents* (resolution, conflict of interest forms, signed/notarized no overdue tax statement). A third pdf labeled as *Supplementary Documents* (reports, data, letters of support, etc.) can be provided, or uploaded to a secure filesharing website, but is not required.** If an application is submitted by a non-governmental organization (non-profit, consultant, etc.) on behalf of an eligible unit of local government, a staff person of that eligible unit of local government must be copied on the email submittal and all subsequent application-related correspondence.

Note: It is the Applicant’s responsibility to ensure their application is accurate and complete at the time of submission to DWR. Any application errors or modifications must be submitted by the Applicant to DWR within 30 calendar days of the end of the Application Cycle in which the application was submitted. Erroneous or incomplete application information can also lead to significant delays with the issuance of a DEQ Contract should the project be recommended for grant funding.

DWR may not be able to grant requests for additional funding caused by inaccurate or incomplete information provided in the application or project budget. **Any changes to the original project budget and/or project scope submitted with the application will require the prior written approval of DWR.** Unapproved changes to the project scope or budget throughout the course of a project will not be eligible for cost-share funding or reimbursement.

Grant Application Review and Approval

The following criteria will be used to approve, approve in part, or disapprove grant applications:

1. The economic, social, and environmental benefits to be provided by the projects;
2. Regional benefits of projects to an area greater than the area under the jurisdiction of the local sponsoring entity;
3. The financial resources of the local sponsoring entity;
4. The environmental impact of the project;
5. Any direct benefit to State-owned lands and properties.

Applicant Obligation – Environmental Permitting

All proposed projects are subject to environmental review and permitting under applicable federal and state laws. It is the applicant's responsibility to prepare, provide and remain in compliance with all applicable environmental permitting requirements associated with project implementation.

Review Decisions

This is a competitive grant program due to limited funding availability. The grant's review criteria are contained within the *Benefits & Evaluation Criteria* sheet of the application form. A multi-agency review team comprised of various subject-matter experts reviews each application to assist the DWR Grant Administrator and Division Director with establish funding priorities. Applications that receive a total cumulative review team score of less than 50% will not be recommended for funding.

Review decisions and notifications for applications received during the spring application cycle are generally made in October. Review decisions and award notifications for applications received during the fall application cycle are generally made in April of the next calendar year. However, unforeseen circumstances such as legislative, policy or funding allocation changes may delay award notifications.

Projects Not Awarded Funding

Applicants who are not awarded funding within one calendar year from the end date of the grant cycle in which their application was originally submitted may be required to complete and submit a new application to DWR if they wish to re-apply for funding consideration. A new application submittal may also be required if there have been changes to the project scope or budget. The spring application cycle typically ends on June 30th and the fall cycle typically ends on December 31st of each year.

Post Grant Funding Award

Acceptance of a grant award will require the applicant to enter into a grant contract with DEQ. A DEQ grant contract is considered 'fully-executed' once it has been signed by both a signatory authority of the Grantee and DEQ Financial Services. A copy of the fully-executed contract shall be provided to the Grantee after being signed by DEQ. No portion of reimbursable work or expenditure of reimbursable funds for the project, plan or services shall begin prior to receiving a fully-executed contract from DEQ. **Contracts are valid for two years from the date the contract document is sent to grant recipient for contract execution.**

Contract Amendments

Any changes to the project's scope, budget or duration after a contract has been fully-executed will require the written approval from the DWR Grant Administrator and may also require a DEQ contract amendment. Any contract amendment requests shall be submitted electronically to amin.davis@ncdenr.gov at least -30 days prior to the DEQ contract expiration date. Typical changes that require a contract amendment are listed as follows:

Extension Requests: Grant recipients can submit an extension request for one additional year beyond the grant expiration date if progress toward project completion can be sufficiently documented. An extension request shall be submitted in a cover letter on official agency letterhead. This request shall include a justification statement, current project status update and anticipated project schedule moving forward.

Project Scope/Budget Changes: The minimum information that shall be supplied to DEQ for consideration includes a brief written narrative on official letterhead containing the justification for any proposed changes and a revised scope of work description. Revised project drawing(s)/map(s) to scale and a revised budget sheet submitted as an Excel file shall also be submitted if applicable. Unapproved changes to the project scope or budget shall not be eligible for, and may result in additional reductions to, cost-share funding or reimbursement.

Grant Reimbursements

The grant award amount is the maximum possible reimbursement amount. Only expenditures incurred after a fully-executed contract has been issued that are detailed in the contract budget and are considered eligible reimbursable expenses. Allowable expenditures are expenditures associated with the work performed for a specific invoicing cycle that are in accordance with the most recent version of the DWR-approved budget sheet and *Reimbursement Instructions* document (see Attachment 1). **Invoices or other supporting documentation such as another grant contract agreement, must be provided that support all contributions listed on the reimbursement tracking sheet submitted for each reimbursement request. All project-related invoices, receipts, and/or supporting documentation such as another grant contract agreement, including that related to the grantee's matching funds listed in the most recent DEQ-approved project budget, shall be submitted and should generally reflect total project costs at project close out.**

Reimbursement requests can be submitted no more frequently than monthly but must be submitted at least every three months (quarterly). DWR will normally pay the Grantee electronically or by mailed check within 30 days of receipt of a complete reimbursement payment request, provided the expenses are in accordance with the budget/contract, or as amended. **If the Grantee determines that significant changes to a project's scope from that in the original application are necessary, the Grantee must send a request in writing to the DWR Grant Administrator and receive written approval of those changes from DWR and/or DEQ. Unapproved changes may not be eligible for state cost-share reimbursement.**

Grantees shall submit reimbursement requests in accordance with their fully-executed DEQ Contract and the *Reimbursement Instructions* document on our [website](#).

Reimbursement requests shall include:

1. A Cover Memo/Letter signed and dated on the Grantee's official letterhead that lists:
 - a) DEQ Contract Number
 - b) total amount of the reimbursement request
 - c) actual cost (expenses) by approved budget categories
 - d) total amount spent on the project to date

2. Copies of subcontractor invoices or other documentation of materials, services and other project costs listed on the subcontractor's letterhead.
3. A completed *Reimbursement Tracking Summary* spreadsheet.

The reimbursement request and supporting documentation should be submitted electronically to amin.davis@ncdenr.gov. DWR will retain 10% of the total grant award amount until after the final project has been inspected and approved by DWR staff.

**** Reimbursement Instructions are provided as *Attachment 1* at the end of this document.**

**** An example reimbursement summary table is provided as *Attachment 2* at the end of this document.**

Requests For Additional Funding

Grant recipients can submit a request for additional funding consideration to DWR for a maximum of 25% of the maximum grant award, not to exceed \$100,000. This request shall be submitted by the project sponsor or primary contact on a cover letter with official agency letterhead via email. The following information shall be submitted by the Grantee to DWR for additional funding consideration:

- a narrative describing the circumstances/need for an increased funding award, summary of current project status, amended project scope and anticipated project implementation schedule.
- revised project budget sheet with the amount of additional funding and associated matching funds contributions included.
- revised scaled drawing(s) that clearly depict the location of the proposed amended work.

DWR will review this information and respond to the Grantee with a decision regarding increased funding within 30 calendar days. Funding increases are subject to the availability of funds and to DWR's actual cost reimbursement policy. **DWR may not be able to grant requests for additional funding caused by inaccurate or incomplete information in the application or project budget provided by the Applicant or Co-Applicant.**

Project Close-Out

A project is considered completed and eligible for close-out by DWR when all project work, including plantings, have been completed and the Grantee is ready to submit their final reimbursement request. The Grantee shall notify the DWR Grant Administrator upon project completion and provide DWR with the most recent version of scaled as-built, record or 'red-line' drawings electronically in an *Adobe PDF* format and a completed *WRDG Close Out Checklist Form* prior to the close-out inspection. These drawings shall have the name and signature of the engineer or professional responsible for preparing them as well as the date the drawings were signed or completed. Applicants who are awarded funding for Feasibility/Engineering Studies shall provide DWR with the associated summary report(s) and deliverables in an electronic format. DWR also reserves the right to inquire about the status of proposed implementation projects cited in these reports after the grant contract period has expired.

Upon notification of project completion to DWR, either the Grantee or Co-Grantee will arrange an inspection of the completed project with the DWR Grant Administrator or their designated representative. DWR reserves the right to substitute its personnel with that of other state or federal agencies that are located closer to the project area, or provide reasonable alternatives to a close out inspection on a case-by-case basis.

This inspection will verify that the project was implemented in accordance with the information provided in the grant application, DEQ contract (including amendments, if applicable) and approved plans and specifications. The Grantee shall address any remedial or compliance actions identified during this close

out inspection prior to DWR final project approval. After the project is inspected and accepted, DWR will review the accounting statements and request DEQ to reimburse the Grantee for the remaining 10% of DEQ's share of the nonfederal cost. **A DEQ grant contract is considered closed out when DWR has granted final project approval and the Grantee has received their final reimbursement payment.**



Water Resources Development Grant Program

Reimbursement Request Instructions – State & Local and NRCS-EQIP

Expenditures incurred after a fully-executed contract has been issued that are detailed in the grant contract budget are eligible for reimbursement. Allowable expenditures are expenditures associated with the work performed for a specific invoicing cycle that are in accordance with the most recent version of the DWR-approved contract scope of work and budget sheet for the project. Grantees/Co-Grantee's are required to track project expenses using the most recent version of our *Reimbursement Tracking Summary* spreadsheet. **All required reimbursement forms can be downloaded from our [website](#) under the *Reimbursement Requests* heading.**

Reimbursement Timeframes

Reimbursement requests can be submitted no more frequently than monthly but shall be submitted at least quarterly, or every three months once reimbursable project expenses are incurred. DEQ will normally reimburse the Grantee or Co-Grantee electronically or by mailed check within 30 days of receipt of a completed reimbursement payment request, provided the expenses are in accordance with the budget/contract information, or as amended. **Processing times may take longer for the following situations: 1.) if the information submitted by the Grantee/Co-Grantee is incomplete or erroneous; or 2.) during DEQ fiscal-year end financial closeout activities in June. Payments for reimbursement requests submitted after May 31 are generally not made to the Grantee/Co-Grantee until mid-July.** Per DEQ contract requirements, 10 percent of the grant award shall be retained until a close-out site visit has been completed and any remedial or compliance actions identified during this close out inspection have been fully addressed by the Grantee/Co-Grantee.

- **Effective For Spring 2021 Application Cycle projects and subsequent:** A quarterly status update shall be emailed to the DWR Grant Administrator once project expenses have been incurred during the grant contract period, for any quarterly cycle, or three-month period, in which a reimbursement request was not submitted. This brief update shall include what project activities have been completed during the most recent quarter and anticipated project activities for the next quarter.

Administrative Costs

Reimbursable administration costs include only those reasonable costs of labor needed to comply with the general conditions of the DEQ grant contract such as the direct labor costs associated with preparing reimbursement requests and conducting overall project management. Additional reimbursable costs can include professional services contracted by the Grantee/Co-Grantee or compensation to the Grantee's/Co-Grantee's independent contractors (e.g., temporary office support), payable at the Grantee's/Co-Grantee's actual cost rate. Costs not eligible for reimbursement include sales tax, audits, direct phone costs, direct postage costs, grant recipient's overhead (indirect) cost, including, rent, utilities, insurance costs, facility costs, general office, general phone and general postage costs.

- **Effective For Spring 2021 Application Cycle projects and subsequent:** A completed *Administrative Statement of Time* form will be required to account for all administrative time for each reimbursement request.

In-Kind Contributions

If the Grantee's contributions include "[In-kind](#)" expenses listed in the most recent version of the grant contract budget such as donated or volunteer time, materials or equipment completion of the documentation listed below is required.

- In-kind Statement of Time: for Grantee staff time: Individuals name, title, tasks, hourly rate, and number of hours
- In-kind Equipment & Materials: for Grantee materials: Quantity of materials, unit rate or equipment rental rate and number of hours. Invoices, receipts or other supporting documentation shall also be included with these sheets.
- Basis For Claimed Value of Land: completion of this form is required if an In-kind land amount for donated property is listed in the application budget. Once the land transfer has been completed an appraisal, HUD Settlement Statement and/or copy of recorded conservation easement shall be submitted prior to the final reimbursement request. See following three Land Transfer sections immediately below for additional information..

Land Transfers

Acquisitions & Donations: Grant funding and reimbursements for land acquisitions are only eligible for Water-Based Recreation projects. DEQ will not reimburse any portions of land purchases that exceed 10% of the appraised land value but may reimburse up to a maximum of \$20,000 beyond the appraised land value. The costs associated with land acquisition or donation for non-Water-Based Recreation projects can designated as an In-kind matching contribution for the project. **Appraisals are required for land transfers if the total value of any given parcel exceeds \$100,000.** The appraisal shall be performed by an independent certified appraiser acceptable to, and consistent with regulations and/or policies of the State Property Office. The value of land/easements can be used as In-Kind match if donated for the project, not property currently owned by the local government or with easements currently in place.

Prior To The Grant Application Submission: If the land transfer was legally executed prior to the application submission, this transfer must have been executed no more than 14 months prior to the WRDG grant application date in order for the costs to be eligible for use as a matching contribution. A completed DWR *Basis For Claimed Value of Land Transfers* form and copies of land valuation and transfer documentation such as a current or recent certified appraisal, HUD Settlement Statement, conservation easement deed and official municipal GIS valuation showing the current property tax valuation assessed by the County Tax Assessor's Office is required as part of the application submittal.

After The Grant Application Submission: If the land transfer will be legally executed after the application submission but prior to the grant contract expiration date, the Grantee shall complete a DWR *Basis For Claimed Value of Land Transfers* form based on the best available documentation listed in the section directly above and include this form with the application submittal. After the transfer has been legally executed the Grantee shall submit the remaining documentation listed in the section above at some point during the reimbursement process, prior to the Grantee's final payment request and prior to the grant contract expiration date.

Invoices and Supporting Documentation

Invoices should be submitted in accordance with the most recent version of the WRDG State & Local or NRCS-EQIP Guidelines. Invoices, receipts or other supporting documentation such as Applications and Certifications For Payment, WRDG Administrative/In-kind Statements of Time, another grant contract agreement or land transfer forms must be provided that support all contributions listed on the reimbursement tracking spreadsheet submitted for each reimbursement request. Invoices should reflect allowable expenditures associated with the work performed for a specific invoicing cycle that are approved by the Department in accordance with the Agency Guidelines and or most recent grant budget sheet. Invoices shall have the project name or DEQ contract number on them in order to be accepted as a matching contribution.

DWR requests that a single document in Adobe PDF format be submitted for each reimbursement request that includes a cover letter and supporting documentation. Invoices shall be provided in the order they are listed in the tracking spreadsheet to facilitate more efficient review and processing of reimbursement requests.

- **Effective For Spring 2021 Application Cycle projects and subsequent:** All project-related invoices, receipts, and/or supporting documentation such as another grant contract agreement, including that related to the Grantee's matching funds listed in the most recent DEQ-approved project budget, shall be submitted and should generally reflect total project costs at project close out. **Any matching funds reported for an individual reimbursement request shall be supported by copies of invoices and cashed checks and/or other supporting documentation.** These matching funds must be for activities necessary for the completion of the project.

DWR understands that there may be situations where this may not be reflected, such as with larger projects that have multiple sources of local, state and federal funding, or if invoices reflect only a portion of materials purchased for the project. For those situations, the Grantee shall complete a *Grant Match Summary* sheet that clearly lays out the different funding sources tied to each invoice. Additionally, invoices that are tied to multiple grant funding sources, or that only have a portion of expenses that reimbursement from DEQ is being requested for, shall be annotated to clearly show the contribution (match) allocations.

Budget Changes

If any changes to the approved grant contract budget or project scope are necessary, the Grantee shall email a request in writing to the DWR Grant Administrator. If the budget changes are approved by DWR, an amendment to the existing DEQ contract will be required if there are changes to the DWR award amount or total project costs. Unapproved changes may not be eligible for reimbursement.

Submission of Reimbursement Request

A complete reimbursement request submittal shall include the information listed below. DWR requests that a single document in Adobe PDF format be submitted for each reimbursement request that includes a cover letter and project invoices, receipts or DWR statements.

- 1) A Cover Memo/Letter signed and dated on the Grantee's official letterhead that lists:
 - a) DEQ Contract Number
 - b) total amount of the reimbursement request
 - c) actual cost (expenses) by approved budget categories
 - d) total amount spent on the project to date

Note: a justification statement shall be included in this letter for all requests submitted after the DEQ contract expiration date.

- 2) Copies of all subcontractor invoices, WRDG Administrative/In-kind Statements of Time, or other documentation for materials, services and other project costs. Invoices shall include a brief description of the work performed for each budget category task.
- 3) A completed *Reimbursement Tracking Summary* spreadsheet submitted in an Excel file, not in an Adobe PDF format. Please use the *Nonfederal* sheet for projects that do not include any federal funding. Please use the *Federal* sheet if the project involves federal funding. Please use the *NRCS-EQIP* sheet for stream restoration projects that include cost-share funding through this federal funding program. **The Total expenses reflected in the Cost & Invoicing documentation column should equal the total project costs at project close out.**

The reimbursement request and supporting documentation shall be emailed to:

NC Division of Water Resources
Attn: Amin Davis
1617 Mail Service Center
Raleigh, N.C. 27699-1617
Amin.Davis@ncdenr.gov

Attachment 2 – Grant Reimbursement Example for 50/50 Match

Project Cost: \$100,000

Nonfederal Cost Share: \$50,000

DEQ Grant Award: \$50,000

DEQ 90% Reimbursement: \$45,000

Invoice #1	Administration	Design	Permitting	Construction Oversight	Construction
Amount	\$1,000.00	\$10,000.0	\$2,000.00		

Total Expenditure	\$13,000.00
50% Reimbursement	\$6,500.00
DEQ Payment Amount	\$6,500.00

Invoice #2	Administration	Design	Permitting	Construction Oversight	Construction
Amount	\$2,000.00	\$5,000.00		\$1,000.00	\$35,000.00

Total Expenditure	\$43,000.00
50% Reimbursement	\$21,500.00
DEQ Payment Amount	\$21,500.00

Invoice #3	Administration	Design	Permitting	Construction Oversight	Construction
Amount	\$3,000.00			\$1,000.00	\$40,000.00

Total Expenditure	\$44,000.00
50% Reimbursement	\$22,000.00
10% Retainage	\$5,000.00
DEQ Payment Amount	\$17,000.00

Payments	Amount
#1	\$6,500.00
#2	\$21,500.00
#3	\$17,000.00
#4 (Post close-out inspection)	\$5,000.00
Total DEQ Payment	\$50,000.00