

Reimbursement Request Instructions – State & Local and NRCS-EQIP

Expenditures incurred after a fully-executed contract have been issued that are detailed in the grant contract budget are eligible for reimbursement. Allowable non-reimbursable expenditures can be considered matching contributions if the project tasks were completed after the end date of the previous application cycle. Allowable expenditures are expenditures associated with the work performed or materials purchased 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.

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(s), anticipated project activities for the next quarter(s) and anticipated timeframe for the next reimbursement request.

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.**

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, 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 or materials purchased 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 and other supporting documentation 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.

If an invoice reflects only a portion of materials purchased or labor costs for a project and includes other non-project related expenses then the grantee shall highlight or otherwise annotate the project-related costs on the invoice. Additionally, if this invoice is tied to multiple grant funding sources (i.e., if grant reimbursement is not being requested for all project expenses listed on the invoice) then the grantee shall color-code or otherwise annotate the expenses on the invoice to clearly delineate the expenses based on the local, nonfederal and federal funding sources in the most recently-approved grant contract budget.

Matching Contributions: All project-related invoices, receipts, and/or supporting documentation 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. Allowable non-reimbursable project expenditures can be considered as matching contributions if the project tasks were completed after the end date of the previous application cycle. **Copies of grant contract award letters, grant contracts or other agreement documentation that shows the amount of funding awarded shall be provided for any grant funding listed in the *Funding Sources Summary* of the most current DEQ grant contract budget.**

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. **The final reimbursement request shall be submitted one month prior to the grant contract expiration date.**



Water Resources Development Grant Program

A complete reimbursement request submittal consists of the following information:

- 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 cover 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@deq.nc.gov



Water Resources Development Grant Program

Scenario 1 – Grant Reimbursement Example for State & Local Projects (50/50 Match)

Project Cost: \$100,000

Nonfederal Cost Share: \$50,000

DEQ Grant Award: \$50,000

DEQ 90% Reimbursement: \$45,000

| Request #1 | Administration | Design | Permitting | Construction Oversight | Construction |
|------------|----------------|-------------|------------|------------------------|--------------|
| Amount | \$2,000.00 | \$10,000.00 | \$3,000.00 | | |

| | |
|---------------------------|-------------------|
| Total Expenditures | \$15,000.00 |
| 50% Max Reimbursement | \$7,500.00 |
| DEQ Payment Amount | \$7,500.00 |

| Request #2 | Administration | Design | Permitting | Construction Oversight | Construction |
|------------|----------------|-------------|------------|------------------------|--------------|
| Amount | \$1,000.00 | \$24,000.00 | | | |

| | |
|---------------------------|--------------------|
| Total Expenditures | \$25,000.00 |
| 50% Max Reimbursement | \$12,500.00 |
| DEQ Payment Amount | \$12,500.00 |

| Request #3 | Administration | Design | Permitting | Construction Oversight | Construction |
|------------|----------------|--------|------------|------------------------|--------------|
| Amount | \$3,000.00 | | | \$1,000.00 | \$56,000.00 |

| | |
|---------------------------|--------------------|
| Total Expenditures | \$60,000.00 |
| 50% Max Reimbursement | \$30,000.00 |
| 10% Retainage | \$5,000.00 |
| DEQ Payment Amount | \$25,000.00 |

| Payments | Amount |
|--------------------------------|--------------------|
| #1 | \$7,500.00 |
| #2 | \$12,500.00 |
| #3 | \$25,000.00 |
| #4 (Post close-out inspection) | \$5,000.00 |
| | |
| Total DEQ Payments | \$50,000.00 |



Water Resources Development Grant Program

Scenario 2 - Grant Reimbursement Example For NRCS-EQIP Stream Projects

Project Cost: \$400,000
Federal NRCS-EQIP Estimate: \$200,000
Nonfederal Cost Share: \$200,000
DEQ Maximum Grant Award: \$200,000
DEQ 90% Reimbursement: \$180,000

| Request #1 | Administration | Design | Permitting | Construction Oversight | Construction |
|------------|----------------|-------------|------------|------------------------|--------------|
| Amount | \$5,000.00 | \$10,000.00 | \$5,000.00 | | |

| | |
|--------------------|-------------|
| Total Expenditures | \$20,000.00 |
| DEQ Payment Amount | \$20,000.00 |



| Request #2 | Administration | Design | Permitting | Construction Oversight | Construction |
|------------|----------------|-------------|------------|------------------------|--------------|
| Amount | \$3,000.00 | \$65,000.00 | | | |

| | |
|--------------------|-------------|
| Total Expenditures | \$68,000.00 |
| DEQ Payment Amount | \$68,000.00 |



| Request #3 | Administration | Design | Permitting | Construction Oversight | Construction |
|------------|----------------|--------|------------|------------------------|--------------|
| Amount | \$10,000.00 | | | \$2,000.00 | \$100,000.00 |

| | |
|-----------------------|--------------|
| Total Expenditures | \$112,000.00 |
| 10% Retainage | \$20,000.00 |
| DEQ Payment Amount | \$92,000.00 |
| Federal Reimbursement | \$200,000.00 |



| Payments | Amount |
|--------------------------------|---------------------|
| #1 | \$20,000.00 |
| #2 | \$68,000.00 |
| #3 | \$92,000.00 |
| #4 (Post close-out inspection) | \$20,000.00 |
| | |
| Total DEQ Payment | \$200,000.00 |



Water Resources Development Grant Program

Scenario 3 – Grant Reimbursement Example for Flood Resiliency Projects (66^{2/3}/ 33^{1/3} Match)

Project Cost: \$200,000

Nonfederal Cost Share: \$133,200

DEQ Grant Max Award: \$133,200

Grantee Cost Share: \$66,800

DEQ 90% Reimbursement: \$119,880

| Request #1 | Administration | Design | Survey | Permitting | Construction Materials |
|------------|----------------|-------------|------------|------------|------------------------|
| Amount | \$2,000.00 | \$30,000.00 | \$3,000.00 | \$5,000.00 | \$10,000.00 |

| | |
|---------------------------|--------------------|
| Total Expenditures | \$50,000.00 |
| Maximum Reimbursement | \$33,300.00 |
| DEQ Payment Amount | \$10,000.00 |

| Request #2 | Administration | Construction Materials | Plant Materials |
|------------|----------------|------------------------|-----------------|
| Amount | \$2,000.00 | \$33,000.00 | \$5,000.00 |

| | |
|---------------------------|--------------------|
| Total Expenditures | \$40,000.00 |
| Maximum Reimbursement | \$38,000.00 |
| DEQ Payment Amount | \$38,000.00 |

| Request #3 | Administration | Construction Materials | Construction Oversight | Construction |
|------------|----------------|------------------------|------------------------|--------------|
| Amount | \$2,000.00 | \$5,000.00 | \$3,000.00 | \$100,000.00 |

| | |
|---------------------------|--------------------|
| Total Expenditures | \$110,000.00 |
| 10% Retainage | \$13,320.00 |
| DEQ Payment Amount | \$71,880.00 |

| Payments | Amount |
|--------------------------------|---------------------|
| #1 | \$10,000.00 |
| #2 | \$38,000.00 |
| #3 | \$71,880.00 |
| #4 (Post close-out inspection) | \$13,320.00 |
| | |
| Total DEQ Payments | \$133,200.00 |