



**To: Mayor Fasbender & City Councilmembers**  
**From: Chris Jenkins, Parks & Recreation Director**  
**Date: December 19, 2022**  
**Item: ENTRF Agreement – Lake Rebecca Project**

**Council Action Requested:** Approve the attached ENTRF Agreement to fund the Lake Rebecca Restoration Project for \$1,000,000.00.

**Background Information:** Lake Rebecca Park and the surrounding areas are in need of ecological help to enhance habitat and help enhance the passive recreation areas. To that end, the City applied for an LCCMR grant to complete this effort, and we have been awarded a \$1m grant for that purpose.

Along with applying for the grant, the City also negotiated a land donation of a 14.13-acre parcel of land previously owned by Flint Hills Resources to include into this restoration project.

The grant award allocates \$150,000.00 for planning and engineering purposes and \$850,000.00 for the work product, and all work must be completed by June 2025.

Once fully executed, staff will begin the processes to engage with consultants and stakeholders to develop the planning and bidding documents, and kick this project off.

Staff recommend approving this grant agreement, which has been reviewed and approved by the City Attorney.

**Financial Impact:** \$1,000,000.00 in positive grant funding to support planning and work product.

**Advisory Commission Discussion:** None

**Council Committee Discussion:** None

**Attachments:**

- Grant Agreement and Attachments



## Environment and Natural Resources Trust Fund

M.L. 2022 Approved Work Plan

### General Information

**ID Number:** 2022-065

**Staff Lead:** Mike Campana

**Date this document submitted to LCCMR:** August 25, 2022

**Project Title:** Hastings Lake Rebecca Park Area

**Project Budget:** \$1,000,000

### Project Manager Information

**Name:** Chris Jenkins

**Organization:** City of Hastings - Parks & Recreation

**Office Telephone:** (651) 480-6176

**Email:** cjenkins@hastingsmn.gov

**Web Address:** www.hastingsmn.gov

### Project Reporting

**Date Work Plan Approved by LCCMR:** September 6, 2022

**Reporting Schedule:** March 1 / September 1 of each year.

**Project Completion:** June 30, 2025

**Final Report Due Date:** August 14, 2025

### Legal Information

**Legal Citation:** M.L. 2022, Chp. 94, Sec. 2, Subd. 08d

**Appropriation Language:** \$1,000,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the city of Hastings to develop an ecological-based master plan for Lake Rebecca Park and to enhance habitat quality and construct passive recreational facilities consistent with the master plan. No funds for implementation may be spent until the master plan is complete.

**Appropriation End Date:** June 30, 2025

**Project Summary:** Lake Rebecca Park Area Redevelopment & Restoration

**Describe the opportunity or problem your proposal seeks to address. Include any relevant background information.**

This park area sits between the Mississippi River to the north and west, and Lake Rebecca to the south and is targeted to remain as natural and open space for the community and visitors. Major issues observed include: consistent high water events leaves much of this park unusable for any type of recreation, boat launch parking lot for the lake unusable during high water events, and in poor condition, much of the park area is also very thick with brush inhibiting passive recreation/exploration in the area, lack of access, habitat types are also degraded, and would benefit from enhancement.

This area needs an ecological master plan to be completed, as well as the investigative/research processes to gather current ecological information. Without this vision the area has an uncertain future. There are however some important elements/outcomes that are currently known, and those have been included in this proposal.

The City of Hastings Comprehensive Plan outlines the city's philosophy which includes 1) Enhancing the health of the ecosystem in Hastings, 2) Preserve and enhance biological diversity of native habitats, 3) Provide an appropriate balance between resource preservation, recreational use, and development.

**What is your proposed solution to the problem or opportunity discussed above? Introduce us to the work you are seeking funding to do. You will be asked to expand on this proposed solution in Activities & Milestones.**

Development of a vision, planning documents, and project implementation that meet the city's philosophy as outlined in the Comprehensive Plan. Some known outcomes to currently known issues follow below.

Propose to raise and reconstruct the boat launch at Lake Rebecca so that it is useable during most high water events, this is a safe boating area during high water and is an excellent, well managed fishery. Propose to identify select areas for leisure recreation opportunities and raise those areas so they can be used during high water for years to come. Propose to remove brush and some canopy trees and install walking trails and interpretive trails that introduce users to the unique habitats in the area. Propose to enhance habitat, install native grasses, flowers, etc. to increase wildlife/pollinator habitat.

**What are the specific project outcomes as they relate to the public purpose of protection, conservation, preservation, and enhancement of the state's natural resources?**

First and foremost, a well constructed ecological based park master plan including recreational uses and purpose. Increased native plant and animal habitat and populations, increased habitat for pollinators, protecting shore land and wetland areas from repeated high water intrusion, increased passive recreation and interpretation opportunities, encourage user engagement with the natural resources of this area. Blend these enhancements into enhancements being completed by the USACOE, City of Hastings and our partners.

**Project Location**

**What is the best scale for describing where your work will take place?**

Region(s): Metro

**What is the best scale to describe the area impacted by your work?**

Region(s): Metro

**When will the work impact occur?**

During the Project and In the Future

**Activity 1: Master Planning**

**Activity Budget:** \$149,999

**Activity Description:**

Conduct a master planning effort which balances ecological diversity and health with intended recreational and educational uses. This will include researching current conditions, development of planned outcomes and public engagement efforts that ultimately guide the future of this park area.

**Activity Milestones:**

Description	Approximate Completion Date
Kickoff	January 31, 2023
Ecological survey and research	July 31, 2023
Public Engagement	August 31, 2023
Plan completion and adoption	September 30, 2023

**Activity 2: Lake Rebecca Park Area Enhancements**

**Activity Budget:** \$850,000

**Activity Description:**

Implementation of master plan and work plan priorities. Removal of undesirable shrubs, grasses, trees, etc. Planting of desirable, beneficial shrubs, trees, plants, grasses, etc. to enhance the habitat. Implementation of passive/developed recreation facility enhancements to include parking, boat launch, trails and perhaps an outdoor classroom to encourage engagement with the habitat restoration phases.

**Activity Milestones:**

Description	Approximate Completion Date
Develop working plan consistent with Master Plan	January 31, 2024
Removal of undesirable shrubs, grasses, trees, etc.	November 30, 2024
Planting of desirable, beneficial shrubs, grasses, trees.	June 30, 2025
Implement passive/developed recreation facility enhancements	June 30, 2025

**Activity 3: Acquire adjacent private parcel**

**Activity Budget:** \$1

**Activity Description:**

The City of Hastings has been working to acquire a private parcel of land adjacent to Lake Rebecca. The parcel is currently owned by Flint Hills Resources. Acquisition is in progress, and the closing on this property is scheduled for August 25th, 2022. This parcel will be in public ownership prior to any planning or work phases of this project.

**Activity Milestones:**

Description	Approximate Completion Date
Real Estate Closing	August 31, 2022

## Dissemination

**Describe your plans for dissemination, presentation, documentation, or sharing of data, results, samples, physical collections, and other products and how they will follow ENRTF Acknowledgement Requirements and Guidelines.**

Developed planning documents will be hosted on the City of Hastings website. Environment and Natural Resources Trust Fund will be acknowledged through use of the trust fund logo or attribution language on project print and electronic media, publications, signage, and other communications per the ENRTF Acknowledgment Guidelines. Public outreach about planning phase(s) will occur through City social media, local news paper, local media, etc. Public participation with the planning phase(s) will be solicited as necessary for the plan development and review processes.

## Long-Term Implementation and Funding

**Describe how the results will be implemented and how any ongoing effort will be funded. If not already addressed as part of the project, how will findings, results, and products developed be implemented after project completion? If additional work is needed, how will this work be funded?**

Implementation through thoughtful planning processes, project design, construction and implementation. Master planning and full scale project design will be completed as a part of this grant funded effort. Continued efforts to maintain and enhance habitat and recreation opportunities will continue beyond project completion through inclusion in the City of Hastings Comprehensive Plan, Capital Improvement Project Plan, and through continued partnerships with partners like Hastings Environmental Protectors, Friends of The Mississippi River, USACOE, DNR Fisheries and others.

Budget Summary

VIII-05

Category / Name	Subcategory or Type	Description	Purpose	Gen. Ineligible	% Benefits	# FTE	Classified Staff?	\$ Amount
<b>Personnel</b>								
							Sub Total	-
<b>Contracts and Services</b>								
Master Planning & Engineer Consulting Team (unknown)	Professional or Technical Service Contract	Develop overall master plan for park areas identified.				0		\$150,000
Work Contractors	Professional or Technical Service Contract	Habitat enhancement, passive/developed rec facility enhancements				-		\$850,000
							Sub Total	\$1,000,000
<b>Equipment, Tools, and Supplies</b>								
							Sub Total	-
<b>Capital Expenditures</b>								
							Sub Total	-
<b>Acquisitions and Stewardship</b>								
							Sub Total	-
<b>Travel In Minnesota</b>								
							Sub Total	-

<b>Travel Outside Minnesota</b>							VIII-05	
							<b>Sub Total</b>	-
<b>Printing and Publication</b>								
							<b>Sub Total</b>	-
<b>Other Expenses</b>								
							<b>Sub Total</b>	-
							<b>Grand Total</b>	<b>\$1,000,000</b>

Category/Name	Subcategory or Type	Description	Justification Ineligible Expense or Classified Staff Request
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Non ENRTF Funds

VIII-05

Category	Specific Source	Use	Status	\$ Amount
<b>State</b>				
			<b>State Sub Total</b>	-
<b>Non-State</b>				
In-Kind	Land donation from Flint Hills Resources 14 acres	Donated land will be included in the plan and park area as natural and open space lands to be used and enjoyed by residents and visitors.	Pending	\$100,000
			<b>Non State Sub Total</b>	<b>\$100,000</b>
			<b>Funds Total</b>	<b>\$100,000</b>

Parcel List

Name	County	Site Significance	Activity	Acres	Miles	Estimated Cost	Type of Landowner	Easement or Title Holder	Status of Work
190210060010	Dakota	Wetlands, river bottom forest, lake	Restoration	146	-	\$750,000	Public	USACOE and City of Hastings	Has Not Begun
190210070011	Dakota	Lowlands adjacent to wetlands.	Restoration	14.13	-	\$100,000	Private	City of Hastings	Has Not Begun
<b>Totals</b>				<b>160.13</b>	<b>0</b>	<b>\$850,000</b>			

**1. Provide a statement confirming that all restoration activities completed with these funds will occur on land permanently protected by a conservation easement or public ownership.**

The land addressed in this proposal is either a current City of Hastings owned park, park lands on long term lease with the US Army Corps of Engineers and one parcel that is currently being considered for donation to the City by Flint Hills Resources. All lands within the project area will remain public lands.

**2. Summarize the components and expected outcomes of restoration and management plans for the parcels to be restored by your organization, how these plans are kept on file by your organization, and overall strategies for long-term plan implementation.**

Lands restored would be identified through the proposed master planning and ecological master planning process. As a part of those plans, prescriptive restorations would be identified and ultimately adopted by the City of Hastings as part of the project. Those long term plans would be carried out through partnerships the City has annually with organizations like Friends of The Mississippi River, and will be documented in the City's Capital Improvement Plans.

**3. Describe how restoration efforts will utilize and follow the Board of Soil and Water Resources "Native Vegetation Establishment and Enhancement Guidelines" in order to ensure ecological integrity and pollinator enhancement.**

The City will direct the ecological planning firm to ensure all requirements are met, and will require a report from the planning firm to ensure all requirements are met or exceeded. Pre and post project evaluations will be completed.

**4. Describe how the long-term maintenance and management needs of the parcel being restored with these funds will be met and financed into the future.**

Hastings partners annually with Friends of The Mississippi River for ecological restoration and enhancement services, and has continually been very successful. This area will have a Natural Resource Management Plan as part of the overall planning process, and together with FMR the City will ensure prescriptive maintenance is completed as scheduled. The City contributes funds annually through our budget process to support FMR and FMR often leverages those funds for grant opportunities, increasing the amount of work that can be completed. This is a very successful model.

**5. Describe how consideration will be given to contracting with Conservation Corps of Minnesota for any restoration activities.**

CCM will certainly be included when contractors are sought to provide bids on work to be performed.

**6. Provide a statement indicating that evaluations will be completed on parcels where activities were implemented both 1) initially after activity completion and 2) three years later as a follow-up. Evaluations should analyze improvements to the parcel and whether goals have been met, identify any problems with the implementation, and identify any findings that can be used to improve implementation of future restoration efforts at the site or elsewhere.**

Evaluations will be completed pre project, post project and intermittently for years to follow after project completion to ensure the project has long term benefit and the landscapes are retaining their desired outcomes.

Required Attachments

*Map*

File: [c7239978-afa.pdf](#)

*Alternate Text for Map*

Aerial view of Lake Rebecca Park and surrounding areas...

*Board Resolution or Letter*

Title	File
Authorization to submit proposal	<a href="#">b99c06cc-e50.pdf</a>

Optional Attachments

*Support Letter or Other*

Title	File
2019 Aerial_High Water	<a href="#">97150dd5-8e4.pdf</a>
2016 Aerial_Normal Water	<a href="#">179a9cf7-4d5.pdf</a>
2040 Comp Plan_Natural and Open Spaces	<a href="#">d144df10-2b2.pdf</a>
May 2022 Boat Launch	<a href="#">2181cb61-fb0.pdf</a>
May 2022 Bridge, Pier and Day Use	<a href="#">8f58dbd4-011.pdf</a>
May 2022 Day Use	<a href="#">0c5c20b7-7e0.pdf</a>
BackgroundCheck Certification Form	<a href="#">202e9e19-71a.pdf</a>

Difference between Proposal and Work Plan

*Describe changes from Proposal to Work Plan Stage*

Revised total project budget to meet appropriation amount, added a parcel to the project that is in the process of being donated to the City of Hastings from Flint Hills Resources, adjusted activities based on appropriation and need to complete a full planning process first.

## Additional Acknowledgements and Conditions:

VIII-05

The following are acknowledgements and conditions beyond those already included in the above workplan:

**Do you understand and acknowledge the ENRTF repayment requirements if the use of capital equipment changes?**

N/A

**Do you agree travel expenses must follow the "Commissioner's Plan" promulgated by the Commissioner of Management of Budget or, for University of Minnesota projects, the University of Minnesota plan?**

N/A

**Does your project have potential for royalties, copyrights, patents, or sale of products and assets?**

No

**Do you understand and acknowledge IP and revenue-return and sharing requirements in 116P.10?**

N/A

**Do you wish to request reinvestment of any revenues into your project instead of returning revenue to the ENRTF?**

N/A

**Does your project include original, hypothesis-driven research?**

No

**Does the organization have a fiscal agent for this project?**

No



## ENRTF/OHF Pass-Through Grant Agreement Attachment C: Conflict of Interest Disclosure

### **Conflict of Interest:**

As referenced in the Minnesota Department of Administrations Office of Grants Management's Policy 08-01, a conflict of interest, actual, potential, or perceived, occurs when a person has actual or apparent duty or loyalty to more than one organization and the competing duties or loyalties may result in actions which are adverse to one or both parties. A conflict of interest exists even if no unethical, improper or illegal act results from it.

### **Actual Conflict of Interest:**

An actual conflict of interest occurs when a decision or action would compromise a duty to a party without taking immediate appropriate action to eliminate the conflict. Examples included but not limited to:

- One party uses his or her position to obtain special advantage, benefit, or access to the other party's time, services, facilities, equipment, supplies, badge, uniform, prestige, or influence.
- One party receives or accepts money (or anything else of value) from another party or has equity or a financial interest in or partial or whole ownership of the other party's organization.
- One party is an employee, board member or family member of the other party.

### **Potential Conflict of Interest:**

A potential conflict of interest may exist if one party has a relationship, affiliation, or other interest that could create an inappropriate influence if the person is called on to make a decision or recommendation that would affect one or more of those relationships, affiliations, or interests. Examples included but not limited to:

- One party has a relationship, affiliation, or other interest that could create an inappropriate influence if one party is called on to make a decision or recommendation that would affect one or more of those relationships, affiliations, or interests. For example, when one party serves in a volunteer capacity for another party, it has the potential to, but does not necessarily create a conflict of interest, depending on the nature of the relationship between the two parties.

A disclosed potential conflict of interest warrants additional discussion in order to identify the nature of the relationship, affiliation, or other interest and take action to mitigate any potential conflicts.

### **Individual Conflict of Interest:**

A conflict of interest that may benefit an individual employee is any situation in which their judgment, actions or non-action could be interpreted to be influenced by something that would benefit them directly or through indirect gain to an immediate family member, business, or organization with which they are involved.

A employee uses their status or position to obtain special advantage, benefit, or access to the grantee or grant applicant's time, services, facilities, equipment, supplies, badge, uniform, prestige, or influence

### **Organizational Conflict of Interest:**

A conflict of interest can also occur with an organization that is a grant applicant or grantee of a state agency. Organizational conflicts of interest occur when:

- A grantee's objectivity in carrying out the grant is impaired or compromised due to competing duties or loyalties

- A grantee, potential grantee or grant applicant has an unfair competitive advantage through being furnished unauthorized proprietary information or source selection information that is not available to all competitors.

Particular attention should be paid to any proposed grant contract agreement requirements that provide for the rendering of planning, consultation, evaluation, or similar activities that may inform decisions on future grant awards.

**This section to be completed by Grantee's Authorized Representative:**

I certify that we will maintain an adequate Conflict of Interest Policy, and throughout the term of our agreement will report any actual, potential and perceived conflicts of interests by individual employees or are organization as a whole to the State's Authorized Representative.

Authorized Representative Signature: \_\_\_\_\_



Office of Management and Budget (OMBS)

# Pass-Through Grants Reimbursement Manual

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**Environment and Natural Resources Trust Fund (ENRTF)  
Outdoor Heritage Fund (OHF)  
Fiscal Year 2023 (July 1, 2022- June 30, 2023)**

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## Contents

<b>Changes In This Version</b> .....	<b>2</b>
<b>Introduction</b> .....	<b>2</b>
<b>Internal Controls</b> .....	<b>2</b>
<b>Monitoring</b> .....	<b>2</b>
<b>State Accounting System (SWIFT) Requirements</b> .....	<b>3</b>
Project Reimbursement.....	3
<i>Advance Payment</i> .....	3
<i>Reimbursement Timeframe</i> .....	4
<i>Frequency of Submission</i> .....	4
<i>Final Reimbursement</i> .....	4
<b>Reimbursement Payment Request Documents</b> .....	<b>4</b>
Project Reimbursement Payment Request Form.....	4
Reimbursement Spreadsheet.....	4
<i>Project Activity Summary Spreadsheet</i> .....	5
<i>Reimbursement Documentation</i> .....	5
<i>Expedited Reimbursement Documentation</i> .....	5
<i>Submission of Reimbursement Payment Requests</i> .....	6
<b>Documents to Be Kept on File</b> .....	<b>6</b>
Retention Period.....	6
<i>Proof of Payment</i> .....	6
<i>Background Checks</i> .....	7
<b>Vendors and Subcontractors</b> .....	<b>7</b>
<b>Cost Category-Specific Requirements</b> .....	<b>9</b>
Equipment.....	9
<i>Land Acquisitions</i> .....	9
<i>Materials and Services</i> .....	10
<i>Travel</i> .....	10
<b>Contact Information</b> .....	<b>11</b>
<b>APPENDIX</b> .....	<b>12</b>
<b>Reimbursement Request Checklist</b> .....	<b>12</b>

## Changes In This Version

The Fiscal Year 2023 manual contains these changes from previous versions:

- Project Reimbursement section: time to submit pre-closing documentation changed from ten to fifteen business days, to reflect current practice.
- Expedited Reimbursement documentation section: clarified what details grantees should supply for Personnel expenses.

## Introduction

The Grants Unit within the DNR Office of Management and Budget Services (OMBS) provides contract management services related to ENRTF and OHF pass-through grant projects. Contract management ensures oversight of reimbursement for project deliverables and meets the requirements of all state laws and policies including the Department of Administration's Office of Grants Management (OGM) procedures. Contract management helps recipients with financial compliance and ensures project consistency with appropriation law, state statute, grants policies, and approved work/accomplishment plans.

This manual was developed to help grantees administer their pass-through appropriation(s) and to provide instruction on how to obtain reimbursements for eligible project expenses. However, it will not be able to address all issues and potential problems that may arise during the completion of the project. **For questions regarding the grant agreement and amendments or reimbursement requests, please contact the State's Authorized Representative or your assigned Grants Specialist.** Contact information is at the end of this manual; it can also be found in the contract agreement and on the DNR pass-through grants [website](#).

For questions regarding your ENRTF work plan, please contact Legislative-Citizen Commission on Minnesota Resources ([LCCMR](#)) staff.

For questions regarding your OHF accomplishment plan, please contact Lessard-Sams Outdoor Heritage Council ([LSOHC](#)) staff.

## Internal Controls

- The grantee is responsible for establishing and maintaining adequate financial internal control systems that follow generally accepted accounting and auditing principles.
- Grantees must establish a separate, non-interest bearing account for ENRTF/OHF funds.
- Any accounting issues not addressed in this manual are subject to state agency standards as interpreted by their internal auditors. All projects are subject to final audit.

## Monitoring

- OGM [Policy Number 08-10](#) requires one monitoring visit during the course of the grant period on projects valued at over \$50,000.
- All projects valued at over \$250,000 require annual monitoring visits.

- Monitoring will take place either at the grantee's office location, the DNR Central Office, or via phone. Grantees will be given adequate notice prior to monitoring.
- The focus of the visit will be financial controls, grants management and associated documentation and procedures.

## State Accounting System (SWIFT) Requirements

The DNR processes project reimbursement payments through a system managed by Minnesota Management and Budget (MMB). The preferred method of payment is through the use of an electronic funds transfer (EFT) directly into the grantee's designated bank account. Electronic transfer reimbursements provide timely payments and prevent the loss of checks either in the mail or by misdirection. In order to set up the electronic transfer payment process, please contact MMB at 651-201-8106.

The grantee will also need to request a User ID to access the SWIFT e-Supplier portal to view payment information:

- Go to [Minnesota Supplier Portal](https://supplier.systems.state.mn.us/psc/fmssupap/SUPPLIER/ERP/c/NUI_FRAMEWORK.PT_LANDINGPAGE.GBL) ([https://supplier.systems.state.mn.us/psc/fmssupap/SUPPLIER/ERP/c/NUI\\_FRAMEWORK.PT\\_LANDINGPAGE.GBL](https://supplier.systems.state.mn.us/psc/fmssupap/SUPPLIER/ERP/c/NUI_FRAMEWORK.PT_LANDINGPAGE.GBL))
  - Click on the 'Register for an Account' link.
  - Click the 'Register as a Supplier' button in the New Supplier section.
  - Complete the online form.
  - An email will be sent with the new User ID and password.
- Questions regarding this process can be sent to [efthelpline.mmb@state.mn.us](mailto:efthelpline.mmb@state.mn.us).

## Project Reimbursement

Pass-through grants are reimbursement based. The grantee must pay for project expenses prior to seeking reimbursement. Eligible expenses are then reimbursed under the terms of the agreement with the State of Minnesota.

### Advance Payment

The DNR will only provide advance payment with prior approval as outlined in session law and the grantee's agreement.

- LCCMR and/or LSOHC will need to approve all advances for the project through the work/accomplishment plan.
- This does not apply to land acquisitions, where the Grants Unit can transfer funds to the grantee one business day prior to the closing date through an EFT.
- All pre-closing documentation must be submitted at least **15 business days** in advance of the closing date in order to allow the Grants Unit to review the paperwork, notify the grantee of any missing or incomplete land acquisition documentation, and process the request. Grant specialists may allow exceptions to this, or require additional time, depending on the circumstances of individual closings.

### Reimbursement Timeframe

Grantees should expect to be reimbursed within 30 days of the DNR receiving a complete reimbursement request.

- If documentation to process the request is missing, or the request has discrepancies or incorrect information, the 30-day clock does not start until all necessary information has been submitted to the DNR.
- The timeframe does not apply to reimbursement requests that are not submitted on at least a quarterly basis.
- If work/accomplishment plan updates or progress reports are past due to either the LSOHC or the LCCMR, the DNR will withhold reimbursement payments for that project until the grantee is in compliance.

### Frequency of Submission

Grantees must submit reimbursement requests at least annually while grant work is being done and expenses have been incurred. If the grantee has not yet incurred costs, no reimbursement request is required.

### Final Reimbursement

- The final reimbursement will be paid out when the State determines that the Grantee has satisfactorily fulfilled all the terms of their grant agreement, unless otherwise excluded by the State in writing.
  - The State must complete a financial reconciliation on all grants over \$50,000 prior to approving the final reimbursement request. If a final reimbursement request is also the first request, this may delay payment.
  - The final report must be approved by the LCCMR or the LSOHC prior to payment of the final reimbursement request unless the grantee receives prior approval from the DNR in coordination with LCCMR/LSOHC staff to waive that requirement.

## Reimbursement Payment Request Documents

The reimbursement payment request is comprised of four sections.

### Project Reimbursement Payment Request Form

This form must be completed and signed by an individual who is authorized by the organization to submit payment requests. It is required for all payment requests, including land or conservation easement acquisitions.

### Reimbursement Spreadsheet

The Reimbursement Spreadsheet provides information on the starting budget amounts, total reimbursements to date, current requested reimbursement amount, and the remaining balance of funds available.

- Each funding source has a different spreadsheet. Only use the ENRTF spreadsheet for LCCMR projects, and the OHF spreadsheet for all LSOHC projects.

- Line items (categories) on the spreadsheet must match the line items from the approved work /accomplishment plan budget.
- Only approved budget items (expenses) will be eligible for reimbursement.
- Please note the [guidance on allowable expenses documents](#) on the LCCMR's website and the [budget line item definitions](#) on the LSOHC's website.

### Project Activity Summary Spreadsheet

The Project Activity Summary Spreadsheet provides a detailed summary of all expenses on the reimbursement payment request. The spreadsheet highlights the transaction date, description of the charges, the amount requested, and the approved budget categories for each expense.

### Reimbursement Documentation

Each reimbursement payment request must include back-up documentation for all expenses. This documentation may include receipts, invoices, and time (payroll) records. The documentation should show that the expenses were allowable costs and happened within the time period of the payment request. Specific documentation is required for land acquisitions. Land acquisition reporting requirements are listed in the grant agreement, in Attachment E.

- All invoices must explicitly state the date(s) that the services were performed. The date must fall within the period of the reimbursement payment request.
- Documentation for salary expenses includes time or payroll records for the payment request period. All employees working on a project should track number of hours worked on the project.
  - Timesheet elements include the period worked (date range of work performed), name of the employee, rate of pay, hours worked, and benefit rate. The original time records must be available for review if requested.
  - All vacation (paid time off), sick, and holiday benefits are eligible for reimbursement on a proportional level. Please contact your assigned Grants Specialist for more information.
- The following information must be added to (or written on) the copies of receipts, invoices, time records or other documentation:
  - Budget line item the expense is being posted to, such as personnel, equipment, travel, etc.
  - Check number or payment number that was used to pay for the receipt, invoice, or payroll. This number should match up with payment documentation such as a bank statement or other proof of payment.
  - If the documentation has non-project expenses on it, be sure to circle the expenses being posted to the project along with budget item.

### Expedited Reimbursement Documentation

Grantees with a history of clean reimbursement requests and no findings on their most recent monitoring do not have to send in receipts for equipment, supplies, and travel with their payment requests. Grantees must continue to keep all receipts in your folders, for review at annual monitoring.

Grantees only send in invoices/receipts/other proof of expenses in these categories with payment requests:

- Contracts and Professional Services
- Land Acquisition
- Capital Equipment
- Expenses over the bidding threshold in all categories.

Grantees may send in condensed expenditure data on the personnel line: total amount requested, number of employees, pay rate, and number of hours.

To access this policy, grantees must have:

- no findings in their most recent monitoring, and
- no questioned costs over their last four reimbursement requests, in a span at least six months.

Once grantees meet this standard, their grant specialist lets them know that they can stop sending in receipts. If a grantee has questioned costs or findings, the grant specialist may require full receipts on future payment requests.

### **Submission of Reimbursement Payment Requests**

Please send one copy of the reimbursement request to your designated Grants Specialist, via e-mail. Starting in Fiscal Year 2021 we will only accept electronic submissions for all grant reimbursements. Where possible, please ensure electronic documentation is in an accessible format.

### **Documents to Be Kept on File**

The grantee must maintain all project agreements, correspondence, and the records pertaining to project expenses requested for reimbursement in a separate project file. Project records are required for monitoring/audit purposes and must be readily available for review.

### **Retention Period**

All records related to the project must be retained for a minimum of six (6) years from the grant agreement end date, or the receipt and approval of all final reports, whichever is later. For OHF grants that have restoration and enhancement end dates, grantees may contact their grant specialist to discuss the possibility of a close-out amendment to set the end date for purposes of retention.

### **Proof of Payment**

The State requires proof of payment documentation to ensure that funds are being provided on a reimbursement basis.

The grantee must maintain proof of payment documentation and make it available when requested by the State. Proof of payment documentation may include:

- a copy of a bank statement with small photocopies of cleared checks
- an electronic bank statement
- a copy of cancelled check(s), or other certified financial records
- employee original time records and payroll documentation.

The State may conduct a proof of payment review during grant monitoring or for any reimbursement request submitted by the grantee throughout the grant period if necessary. No additional reimbursement requests for that project will be processed until the proof of payment for the request being reviewed is submitted and approved.

### Background Checks

All ENRTF grantees that conduct a project that provides children's services, as defined in Minnesota Statutes Sec 299C.61 Subd.7, must perform criminal background checks for background check crimes, as defined in Minnesota Statutes, section 299C.61, Subd. 2, on all employees, contractors, and volunteers who have or may have access to a child to whom children's services are provided. Grantees should keep this documentation in the project file, for review at annual monitoring.

### Vendors and Subcontractors

Subcontractors include other organizations and/or businesses that perform services identified in the work/accomplishment plan. Vendors provide supplies or materials to the project. Both must be selected based on contracting/purchasing procedures. Transparency, fiscal control, and accountability are key reasons why the State requires grantees to be thorough in the solicitation and selection of subcontractors and vendors.

*Each executed subcontract must include the amount of the subcontract, the length of the subcontract, and all elements of the grantee's contract with the State.*

#### Contracting and Bidding for Municipalities

Municipalities as defined in Minnesota statute 471.345, subdivision 1 must follow the [Uniform Municipal Contracting Law](#).

#### Contracting and Bidding for Non-Governmental Organizations

Non-governmental organizations may either:

- submit a copy of their contracting policies for review to the State's Authorized Representative, through the use of Attachment B (Non-Governmental Organization Subcontracting) to their grant agreement;
- or follow the contracting policies/procedures below.

#### Contracting and Bidding Thresholds and Process

- Any services and/or materials that are expected to cost \$100,000 or more must undergo a formal notice and bidding process.
- Services and/or materials that are expected to cost between \$25,000 and \$99,999 must be competitively awarded based on a minimum of three (3) verbal quotes or bids.
- Services and/or materials that are expected to cost between \$10,000 and \$24,999 must be competitively awarded based on a minimum of two (2) verbal quotes or bids or awarded to a targeted vendor.
- Grantees must use a Request for Proposal (RFP)/Request for Quote (RFQ) process to competitively select professional and technical services.

- The advertisement for bid processes must allow for fair competition among potential qualified bidders.

#### Debarment

Grantee must not contract with vendors/subcontractors who are on the on [State's debarment list](http://www.mmd.admin.state.mn.us/debarredreport.asp): <http://www.mmd.admin.state.mn.us/debarredreport.asp>.

#### Targeted Vendors

Grantees must take all necessary affirmative steps to assure that targeted vendors from businesses with active certifications through the entities below when possible. Please contact your grant specialist for assistance the first time you go through this process:

- [State Department of Administration's Certified Targeted Group, Economically Disadvantaged and Veteran-Owned Vendor List](#)
- Metropolitan Council's Targeted Vendor list: [Minnesota Unified Certification Program](#)
- Small Business Certification Program through Hennepin County, Ramsey County, and City of St. Paul: [Central Certification Program](#)

#### Conflict of Interest

The grantee must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees or board members engaged in the selection, award and administration of contracts. This written standard may be requested during monitoring.

#### Single/Sole Source

The State may waive bidding process requirements when it is determined there is only one legitimate or practical source for such materials or services and that grantee has established a fair and reasonable price. Single and sole source grants or contracts are used when only one entity is reasonably able to meet a grant's intended purpose and objectives, due to their geographic location, specialized knowledge, relationships or specialized equipment.

To seek a single/sole source waiver, the grantee must complete a [Grant Single Source Justification Form](#), available on the pass-through grants website, and submit it to the State's Authorized Representative for signature and approval. If approved, the Grantee must keep the executed copy on file.

#### Supporting Documentation

The grantee must maintain support documentation of the purchasing and/or bidding process utilized to contract services in their financial records, including support documentation justifying a single/sole source bid, if applicable.

Grantees must retain, in the project file:

- copies of the executed subcontract agreements
- a copy of the bid tabulation (if applicable),
- written documentation that describes the rationale for selection of the subcontractor, and
- documentation of the contract/bid approval if required by grantee internal controls (such as meeting minutes.)



This documentation may be reviewed during the monitoring visit or when requested by the State.

#### Prevailing Wage

For projects that include construction work of \$25,000 or more, prevailing wage rules apply per [Minnesota Statute 177.41](#) through [177.44](#). Consequently, the bid request must state the project is subject to prevailing wage. These rules require that the wages of laborers and workers should be comparable to wages paid for similar work in the community as a whole. A prevailing wage form should accompany these bid submittals.

Grantees must retain documentation in the project file either of the prevailing wage forms, or a notice from the Department of Labor and Industry that the project is not subject to prevailing wage.

## Cost Category-Specific Requirements

### Equipment

Records for grantee-owned equipment used on a project must include the time actually used for the project and the computation used to arrive at the charged use rate. Use rates are subject to review by DNR.

### Capital Equipment

Capital equipment purchased with grant funds must be:

- listed in the approved work/accomplishment plan prior to purchase
- tagged, maintained in an up-to-date directory, and available for review.

### Land Acquisitions

- Any project that is subject to the land acquisition reporting requirements of Attachment E (Land Acquisition and Reporting Procedures) will be held to the most current version of Attachment E.
- The Grants Unit can transfer funds to the grantee one business day prior to the closing date through an EFT.
- All pre-closing documentation must be submitted at least ten business days in advance of the closing date in order to allow the Grants Unit to review the paperwork, notify the grantee of any missing or incomplete land acquisition documentation, and process the request.

### Fourth Year Land Acquisition

In order to be reimbursed for land acquisitions that occur in the fourth fiscal year, the grantee will notify the State that a binding purchase agreement has occurred before the end of the third fiscal year.

- Notify your grant specialist that you intend to have a binding agreement in place by June 30 of the third year.
- Provide proof of that agreement no later than July 15 of the fourth year.

- Failure to do so may significantly affect payment. In that case, notify your grant specialist as soon as possible of the binding agreement.

### **Use of Funds**

For all acquisitions that require DNR services, the grantee must submit a Use of Funds letter, as outlined in their grant agreement, to pay for the DNR's services. Funding must be available in the "DNR Land Acquisition Costs" (OHF) or the "Other DNR acquisition, reporting, and management" (ENRTF) budget line item in the approved work/accomplishment plan to pay for these costs.

Please see Attachment E of the grant agreement for step-by-step land acquisition procedures and requirements.

### **Materials and Services**

Materials and services are eligible expenses when they are purchased by the grantee to achieve outcomes/activities stated in the work/accomplishment plan and reflected in the approved budget. Typical examples of material/service purchases include hardware, paint, lumber, sand/gravel, concrete, landscape materials, and signs.

In order to request reimbursement for materials and services, the grantee must have an invoice from the vendor. The invoice and the copy sent in with the reimbursement payment request must be legible and include the following items:

- Name and address of the vendor;
- Date the item or service was purchased;
- Date the service was performed;
- Quantity of item(s) purchased or hours worked;
- Description of item(s) or services purchased;
- Unit price/Prorate;
- Total amount of the line item.
- Please also add the following information to the invoices:
  - The activity number that the expense is being posted to.
  - If a portion of an expense is being posted to more than one activity or budget line items, please include that information on the invoice (ENRTF only).
  - The budget line item (or category) the expense is being posted to. Examples include expenses identified as "travel", "personnel", "equipment", etc.

### **Travel**

Travel must be included in the approved work/accomplishment plan and budget in order to be eligible for reimbursement. Out of state travel is an ineligible expense for both ENRTF and OHF projects unless explicitly approved in the work/accomplishment plan.

Travel expenses must follow Commissioner's Plan guidelines in order to be eligible for reimbursement. The [Commissioner's Plan Website](#) includes mileage and meal reimbursement rates and guidelines in Chapter 15 – Expense Reimbursement. Information on travel expenses can

also be found on the [Travel Reimbursement and Documentation Guide](#) available on the DNR Pass-Through grant website.

## Contact Information

Minnesota Department of Natural Resources  
Office of Management and Budget Services, Grants Unit  
500 Lafayette Road St. Paul, MN 55155-4010  
[Pass-Through Grants Website](#)

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## APPENDIX

# Reimbursement Request Checklist

The checklist contains the items that must be included with the reimbursement request. Please use the checklist to ensure that the payment request is complete.

**For all projects, the Grantee must submit the following:**

1. **\_\_\_ Section 1: Project Reimbursement Payment Request Form**

This document must be dated and signed by an appropriate representative for the grantee. Please complete the form and include the name of the project, the SWIFT purchase order number (300000XXXX), the sequence of the request (for example, the first request would be #1), and the period of time the request covers.

2. **\_\_\_ Section 2: Reimbursement Spreadsheet**

The Reimbursement Spreadsheet will need to be customized to include the budget items and outcomes/activities from Attachment A, the approved work/accomplishment plan. This will help track budget line items to ensure funding is being expended by budget categories.

3. **\_\_\_ Section 3: Project Activity Summary Spreadsheet**

The Project Activity Summary Spreadsheet should include the date range of reimbursable activity, the transaction date, the approved budget category for each charge and the amount requested, along with a brief description of the reimbursable items.

4. **\_\_\_ Section 4: Reimbursement Documentation**

Submit copies of receipts, invoices, and time records (payroll). This information is necessary to determine if the expenses are eligible for reimbursement. Please write the activity number, budget item title and payment information (such as check number, bank statement) on the receipt/invoice document submitted. This information is needed to determine what part of the project the expenses are being directed to.

5. **\_\_\_ Section 5: Acquisition Documents (if applicable)**

Specific documentation is required for land acquisitions. Please see your grant agreement to view your land acquisition reporting requirements.

