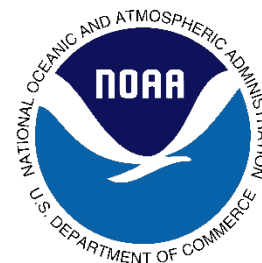


INDIANA LAKE MICHIGAN COASTAL PROGRAM



COASTAL GRANTS ADMINISTRATION MANUAL

Updated June 2019



INTRODUCTION

This Grant Administration Manual is designed to provide information to entities that have received federal Coastal Zone Management Act (CZM) Section 306 and 306A grant assistance from the Indiana Department of Natural Resources (DNR) Division of Nature Preserves, Lake Michigan Coastal Program (LMCP). The United States Department of Commerce and the National Oceanic and Atmospheric Administration (NOAA) consider the State of Indiana and the DNR to be the recipient of these funds. The entities that receive these pass-through funds from the State of Indiana are **grantees**, and will be referred to as such throughout this manual. As a grantee, you are responsible for reviewing this information thoroughly to ensure a successful project. Failure to adhere to these grant standards can result in the reduction or cancellation of the state's funding offer. The LMCP Grants Specialist can answer questions about your responsibilities as a grantee.

As a grantee, you are responsible for abiding by and fulfilling all of the requirements in your Grant Agreement, as well as adhering to the agreed-upon work products and statements outlined in your submitted project's Pre-Proposal and Full Proposal. Additionally, all grantees are required to abide by all state and federal accounting standards and the instructions contained in this Grant Administration Manual.

Sarah Nimetz, Grants Specialist
Lake Michigan Coastal Program
Indiana Dunes State Park, Annex Building
1600 North 25 East
Chesterton, IN 46304

Indiana Department of Natural Resources, Division of Nature Preserves, Lake Michigan Coastal Program
In cooperation with
U.S. National Oceanic and Atmospheric Administration, Office of Coastal Management, Coastal Programs Division

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LAKE MICHIGAN COASTAL PROGRAM OVERVIEW

The Lake Michigan Coastal Program (LMCP) supports coordination and partnerships among local, state, and federal agencies and local organizations for the protection and sustainable use of natural and cultural resources in the Lake Michigan coastal area. Through the LMCP, Indiana participates in the Coastal Zone Management Program with 33 other coastal states and territories to protect, restore, and responsibly develop Indiana’s coastal area.

The mission of the LMCP is to protect and enhance coastal resources by providing technical and financial assistance and coordination to current and future partners.

Approximately \$600,000 per year is available to be used in the implementation of the Coastal Grants competitive process.

These available funds can be used toward:

- Protection and restoration of significant natural and cultural resources.
- Improved public access.
- Revitalized urban waterfronts and ports.
- Improved coordination among government agencies in policy and decision-making processes.
- Pollution prevention initiatives, including non-point source pollution into coastal waters.

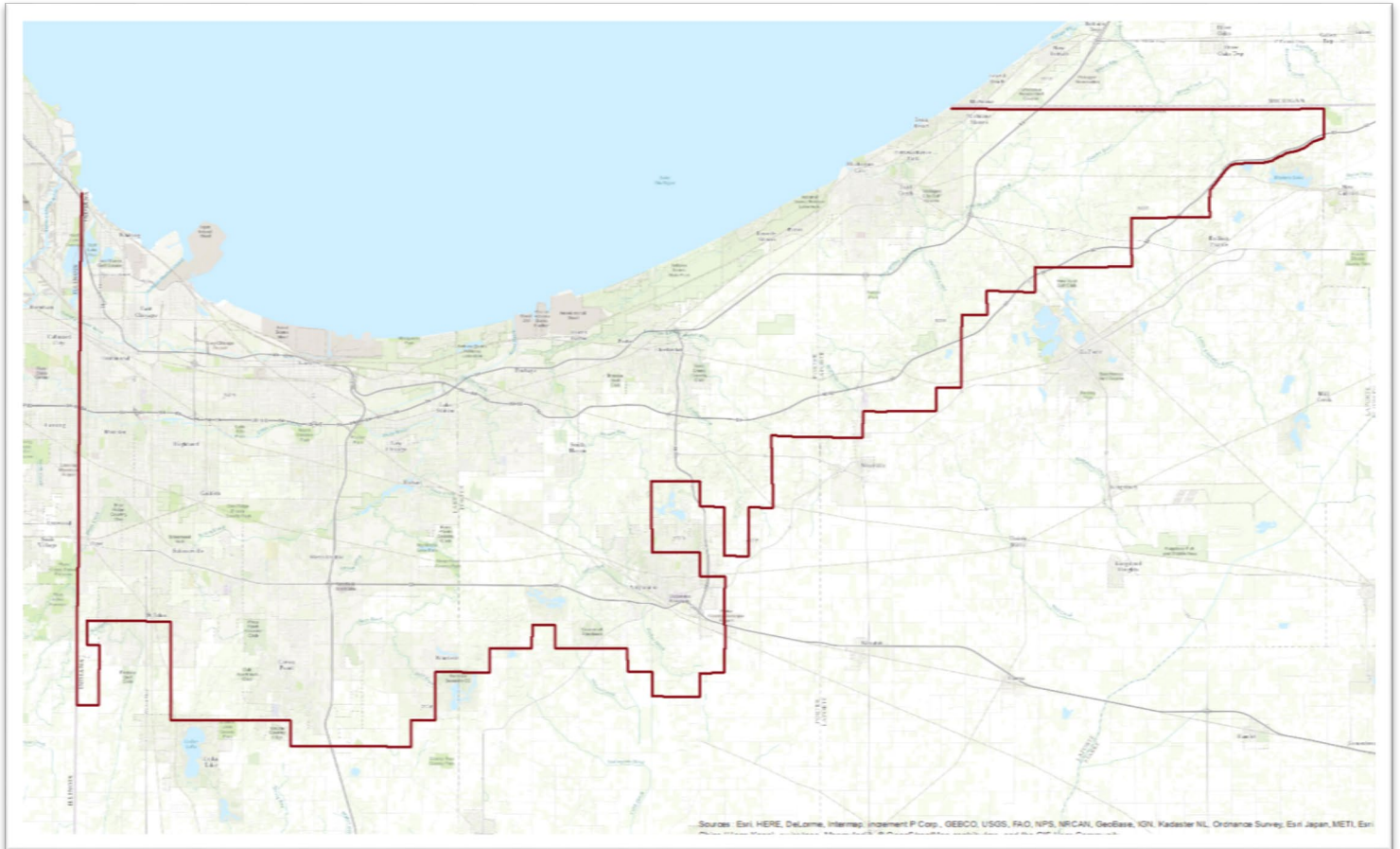
The Lake Michigan Coastal Program Area is based on a watershed approach, with the boundary for the program defined as those areas that drain into Indiana’s portion of Lake Michigan. The LMCP Area delineates the areas that are eligible to participate in the program.

The LMCP staff have a broad knowledge set and are available to provide technical assistance and guidance on any Indiana Coastal-related issues or questions.

LAKE MICHIGAN COASTAL PROGRAM STAFF		
Sarah Nimetz 219-250-5401	Grants Specialist	Snimetz@dnr.IN.gov
Kacey Alexander 317-234-3985	Operations Specialist	Kalexander@dnr.IN.gov
Derek Nimetz 219-928-3997	Regional Ecologist	Dnimetz@dnr.IN.gov
Brianna Ciara 219-921-0863	Special Projects Coordinator	Bciara@dnr.IN.gov
Kathryn Vallis 219-926-9757	Coastal Resources Planner	Kvallis@dnr.IN.gov

LAKE MICHIGAN COASTAL PROGRAM BOUNDARIES

All grant-funded projects must be located entirely within the LMCP Coastal Program Area, which comprises the northern portions of Lake, Porter and LaPorte counties. Lands owned by a federal entity are excluded from the LMCP program area. Below is a map of the program boundaries.



GRANT AGREEMENT COMPONENTS

The LMCP Grant Agreement is a legally binding contract that specifies the obligations of the Grantee, as well as the LMCP. The main body of the Grant Agreement contains language standard to all grantees. Although the content is standard, it is still important to read and understand the information contained in the agreement.

Exhibit A: Included as part of the Grant Agreement is a timeline of your project. The Grantee is responsible for understanding and adhering to these guidelines.

Exhibit B: Your budget, as it appears in your submitted Full Proposal, is in this exhibit. This indicates how funding will be spent in individual budget categories. The budget contains two columns, LMCP and Match. The LMCP column indicates the amount of funding that will be reimbursed through the awarded grant. The Match column itemizes the amount of matching funds/in-kind match the Grantee will be providing, as specified in the approved Full Proposal.

Any work to be performed on a project is not to be started until the Grantee has a fully executed Grant Agreement and receives approval from the LMCP. **Any expenditure of LMCP or matching funds made before the Grant Agreement is signed by the State of Indiana and permission to commence work have been communicated, cannot be reimbursed, nor counted toward the grant budget.**

Exhibit D: Exhibit D contains several special conditions as required by the LMCP. By signing the Grant Agreement, you are agreeing to the following (*in summary*):

- A. All funds spent on the grant project, whether LMCP federal funds or Match, will be accounted for properly. 50 percent of total project cost will be funded by LMCP pass-through funds and the Grantee is responsible for the Matching portion.
- B. The grant-funded project will be in accordance with the CZMA Section 306A Guidance and this document, the LMCP Grant Administration Manual.
- C. The Grantee will not cut or remove any trees equal to or greater than 3 inches in diameter at breast height between April 1 and September 30. All mechanical cutting activities must take place only when the ground is frozen.
- D. The Grantee will follow all best management practices to minimize the risk of spreading terrestrial and aquatic invasive species, and to minimize the impacts on the human environment during the implementation of grant-funded activities.
- E. All plant and seed mix lists are to be submitted to LMCP and approved before implementation.
- F. The Grantee must submit all plans, specifications, and any other pre-development information to the LMCP for review and approval before work is to begin.
- G. All contracts for any project work must be submitted for review and approval by LMCP before any work may begin. All professional services must be procured using the process listed in this manual.
- H. All necessary local, state, and federal permits for work conducted under a LMCP grant is the responsibility of the grantee. These permits must be submitted to LMCP.

- I. The Grantee may submit a draft project final report at a minimum of 30 days prior to the expiration of the Grant Agreement. One electronic copy of the final report, along with the documentation included in this document, are required to be submitted to LMCP before the closeout of the Grant Agreement.
- J. 15 percent of total project costs are retained by the State until final project work products have been reviewed and approved by LMCP. The work products must be in compliance with the Grant Agreement. This includes all required financial documentation. The balance will be released upon approval.
- K. Should the State determine the project or property is no longer being used for its original purpose, or if there are title discrepancies or encumbrances that the DNR determines interfere with the purpose for which grant funds were granted within the 20-year requirement, the Grantee will be required to reimburse the State for the federal funds received for the project. Also, the Grantee will maintain the project in perpetuity or, at a minimum, 20 years.
- L. All financial records, supporting documents, and other records related to this grant must be retained for a period of three years after the expiration of the Grant Agreement. Likewise, sub-grantees (or contractors hired by the grantee) must likewise retain such records for a three-year period.
- M. Financial audits may be requested by the State Board of Accounts. The Grantee will comply with all reporting requirements by the State Board of Accounts. If audited for the period of time that grant funds were being expended, a copy of the audit report must be provided to the LMCP. All applicable audit reports must be provided to the LMCP. All local government units must ensure that the federal funds in this grant are included in the Single Audit conducted on their agency by the State Board of Accounts.
- N. Requests for time extensions must be submitted to the LMCP in writing and be fully justified. These must be received at least 60 days before the expiration of the Grant Agreement. The DNR reserves the right to deny any request for extension.

Exhibit E: Exhibit E contains several federal terms and conditions. By signing the Grant Agreement, you are agreeing to the following:

- A. Compliance with [2 CFR Part 200: Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments](#) as well as 2 CFR Part 200 §1327.101: Uniform Administrative Requirements, Cost Principles, and Audit Requirements.
- B. Any projects involving GIS data will comply with [Executive Order 12906 “Coordinating Geographic Data Acquisition and Access: The National Spatial Data Infrastructure” Federal Register Vol. 59, Number 71, pp 17671-17674](#). This Executive Order requires that the Grantee document all new geospatial data collected under the grant project using standards developed by the Federal Geographic Data Committee (FGDC) and that the data created be electronically accessible to the State. These standards can be found [here](#).

- C. All federally assisted construction contracts must include the provisions of [Section 203 of the Executive Order for Equal Employment Opportunity](#). The Grantee must comply with Department of Labor regulations implementing the Executive Order.
- D. For any construction projects funded through the grant, the Grantee is required to include a provision requiring compliance with Executive Order 11246 in any contracts in excess of \$10,000. The Grantee must observe all applicable requirements of the orders and regulations and include in their nonexempt construction contracts the specific clauses prescribed by 41 CFR 60-1.4 (b) and, if applicable, [41 CFR 60-4.3](#).
- E. Grantee is prohibited from expending grant or matching funds for purposes of providing transportation, travel, and any other expenses for any Federal employee.
- F. The Grantee and any sub-recipients or contractors shall not sub-grant or subcontract any part of the approved project to any federal agency.
- G. The Grantee must include a statement in all sub-grants, contracts, and subcontracts that the grant is subject to [Executive Order 12549](#), “Debarment and Suspension” and Department of Commerce implementing regulations published at [15 CFR Part 26, Subparts A through E, “Government-wide Debarment and Suspension \(Nonprocurement\)”](#)
- H. If appraisal of real property is required by an independent appraiser, Grantee must comply with the procedures for establishing the fair market value of land or a building or the fair rental rate of land or space in a building, as governed by [2 CFR Part 200](#), Uniform Administrative Requirements, Cost Principles, and Audit Requirements as Adopted Pursuant to 2 CFR §1327.101.
- I. The Grantee shall be alert to organizational conflicts of interest, as well as other practices among contractors that may restrict or eliminate competition. Guidelines are contained in this document.
- J. The Grantee must maintain written standards of conduct governing the performance of its employees engaged in the grant and administration of any contracts.
- K. Access to financial and programmatic records, statistical records, supporting documents, and all other records associated with a grant project must be retained by the Grantee as stated in 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements, in general for three years from the date the Grantee submits the last expenditure report for the grant period.
- L. Grantee must comply with the requirements for retaining records of cost sharing or matching contributions as prescribed by 2 CFR Part 200, as they are subject to audit in the same manner and to the same extent as records dealing with the use of federal grant funds.
- M. The Grantee is accountable to the State for any grant-related income as prescribed in 2 CFR Part 200. Grant and subgrant related income refers to interest and other investment income earned on advances of grant funds, as well as program income.
- N. Grantee must sign and comply with the assurances and certifications of Standard Forms [424D: “Assurances – Construction Programs”](#), [CD-511: “Certification Regarding](#)

[Lobbying](#)”, and [CD-512: “Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions and Lobbying”](#) when applicable.

Changes to the Grant Agreement

Project Extensions

In order to submit a no-cost extension to the 18-month project timeframe, Grantees must submit an extension request in writing to the Grant Specialist.

Requests are to be submitted no less than 60 days before the expiration of the grant. Any requests submitted after this deadline will be denied.

The no-cost extension request should include reasons why the project has not adhered to the project timeline submitted with Exhibit A in the Grant Agreement or other justification for the extension request, as well as an amended Exhibit A timeline reflecting the requested changes to the project timeframe.

An amendment to the original Grant Agreement will be processed upon the approval of the extension request by LMCP. After approval, the Grantee will be required to sign the amendment in the State Contract Management System. The no-cost extension is finalized when a fully signed amendment is returned to the Grantee. The DNR reserves the right to deny any request for extension.

Should a situation arise that requires any changes to the timeliness of the project, budget, or scope of work, it is the responsibility of the Grantee to communicate with the Grant Specialist. The Grant Specialist will then make the determination to either approve, deny, or request additional information to support these changes.

Project Changes

All changes to a Project that vary from the Grant Agreement require written approval from the Lake Michigan Coastal Program. It is the Grantee’s responsibility to submit change requests in writing, at least 30 days before approval is required.

Budget Changes

The Grantee shall not spend more than the amount designated for each line item, as described in the Grant Agreement, Exhibit B, without the prior written consent of a duly authorized representative of the LMCP, nor shall Project costs funded by a Lake Michigan Coastal grant or categorized as match be amended without the *prior* written consent of the Grant Specialist.

Any changes to a Project budget must be submitted in writing and approved by LMCP no less than 30 days before approval is needed.

Any changes in budget requested with less than 60 days remaining before grant expiration will be declined.

Any expenditure of LMCP or matching funds made before Grant Agreement signed by the State of Indiana will not be reimbursed. Any expenditure of funds following the expiration of the Grant Agreement will not be reimbursed.

Project Progress

Upon the receipt of permission to commence work on your Project, adequate progress toward the agreed upon work products must begin. Project work may not begin before the Grant Agreement has all of the appropriate signatures, and permission to begin work has been communicated to the Grantee by the LMCP. Failure to show demonstrable progress on the Project during the first quarter of the Project may result in cancellation of the grant.

Failure to complete a grant Project within the timeframe indicated in the Grant Agreement, unless an extension has been granted, will result in cancellation of the project. Expenditures related to the project may not be reimbursed, or may be pro-rated at the discretion of the LMCP, and based upon the amount of progress made and demonstration of good-faith effort toward completion of the project.

Default of a grant occurs when there fails to be progress made on a Project, and/or a substantial portion of spending of grant funds fails to take place. Upon defaulting on a grant, the applicant will no longer qualify to apply for future LMCP grants for a period of two years.

Grantee Acknowledgement

On the title page of any publication written, regarding, or published under this grant, the funding support must be acknowledged. This includes any presentations, press releases, printing, or when speaking to the media or the public. The Grantee must acknowledge the support of the National Oceanic and Atmospheric Administration and the Indiana Department of Natural Resources Lake Michigan Coastal Program. Correct examples of this acknowledgement are below. They must be copied exactly as written. Logos may also be provided.

- This publication was made possible by a grant from the National Oceanic and Atmospheric Administration and the Indiana Department of Natural Resources Lake Michigan Coastal Program.
- Funding for this project was provided in part by the National Oceanic and Atmospheric Administration and the Indiana Department of Natural Resources Lake Michigan Coastal Program.
- Funding for this sign was provided in part by the National Oceanic and Atmospheric Administration and the Indiana Department of Natural Resources Lake Michigan Coastal Program.

Data Sharing

For any Projects anticipated to generate environmental data or peer-reviewed publications, the Lake Michigan Coastal Program requires a Data Sharing Plan as part of the completed work products. Please reference the Data Sharing Template on the LMCP Website.

“Data Sharing” means making data publicly visible and accessible in a timely manner at no cost (or at minimal cost that is no more than the cost of distribution to the user), in a format that is machine-readable and based on open standards, along with metadata necessary to find and properly use data.

- **Timeliness:** Data accessibility must occur no later than publication of a peer-reviewed article based on the data, or two years after the data are collected and verified, or two years after grant expiration.
- **Disclaimer:** Data produced with LMCP grant funding and made available to the public must be accompanied by the following statement: “These data and related items of information have not been formally disseminated by NOAA, and do not represent any agency determination, view, or policy.”
- **Failure to Share Data:** Failing or delaying to make environmental data accessible in accordance with the submitted Data Management Plan, unless authorized by LMCP, may lead to enforcement actions, and will be considered by LMCP when making future award decisions.
- **Funding acknowledgement:** Funding sources shall be identified in all scholarly publications. An Acknowledgements section shall be included in the body of the publication stating the relevant Grant Programs and Award Numbers.
- **Manuscript submission:** The final pre-publication manuscripts of scholarly publications produced with LMCP funding shall be submitted by LMCP to NOAA after acceptance, and no later than upon publication, of the paper by a journal. NOAA will produce a publicly visible catalog entry directing users to the published version of the article. After an embargo period of one year after publication, NOAA shall make the manuscript itself publicly visible, free of charge, while continuing to direct users to the published version of the record.
- **Data Citation:** Publications based on data and new products derived from source data must cite the data used according to the conventions of the publisher. All data and derived products that are used to support the conclusions of a peer-reviewed publication must be made available in a form that permits verification and reproducibility of the results.

Partnerships with Non-Profit Organizations with 501(c) 3 Status

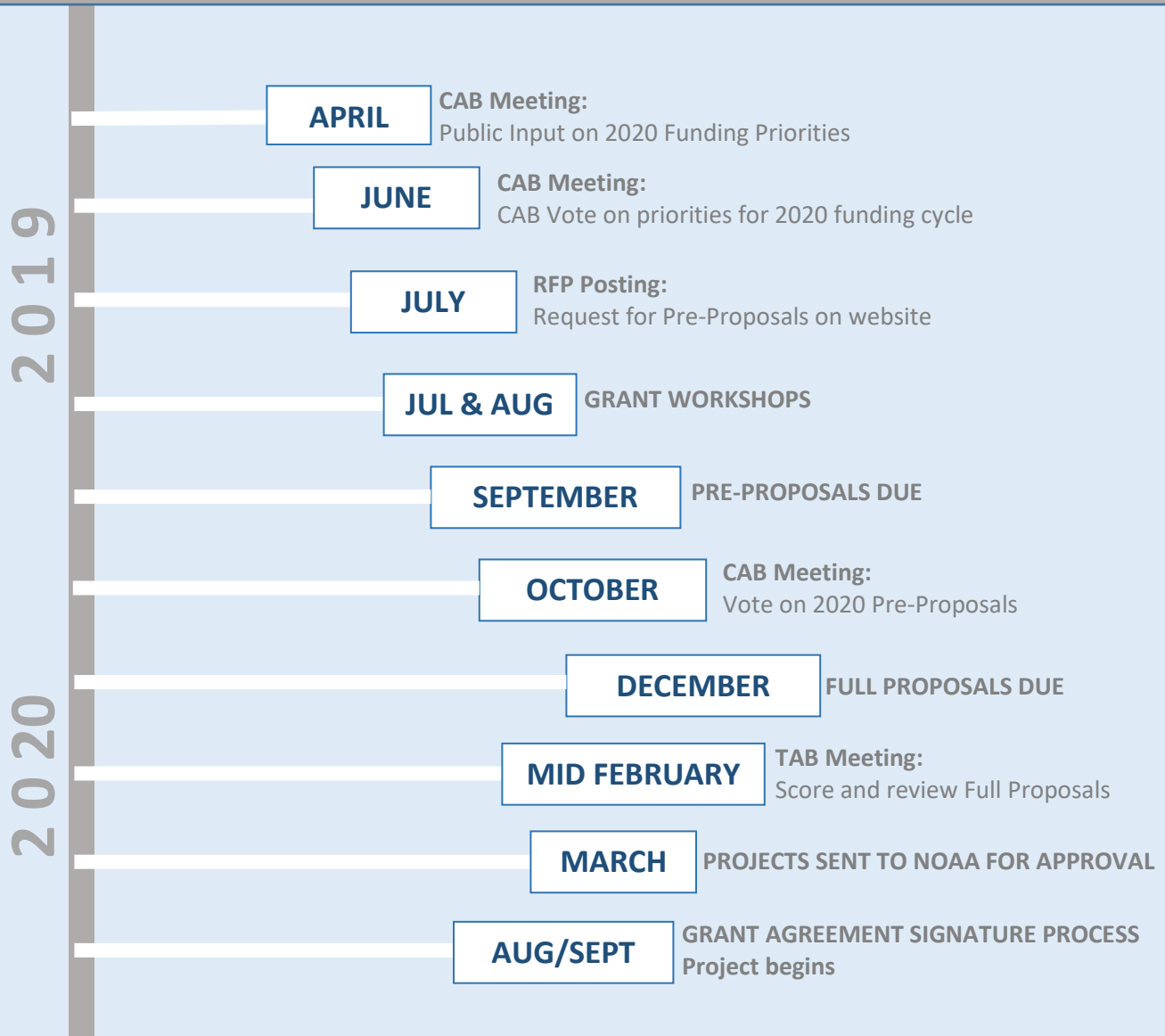
When partnering with non-profit organizations, the Grantee must provide the name and contact information for the organization and a detailed description of the services to be completed by the organization. The LMCP also requires that the Grantee provide a copy of

certification of non-profit status. This partnership is considered to be contractual, and may follow the same standards and guidelines as hiring consultants in many cases.

Project Timeline

The following is a projected timeline of the grants process and what that might mean to your Project. Because the NOAA approval process takes time, this timeline is only a guideline upon which to base your project.

GRANT PROJECT TIMELINE



REPORTING REQUIREMENTS

Quarterly Progress Reports

The required reporting form is available on the LMCP website.

Quarterly Progress Reports are a vital part of your Project, and a requirement for any eligible entity receiving funding. They must be submitted in a timely manner and contain accurate, up-to-date information about the progress of your project. Quarterly Progress Reports must be submitted throughout the duration of the project, until a completed Final Project Report has been submitted to the Lake Michigan Coastal Program, regardless of inactivity.

Financial reimbursements will not take place until and unless all Quarterly Progress and financial reporting is up-to-date and accurate.

Quarterly Progress and Financial Reports are due once a quarter, according to the schedule below:

QUARTER	DUE
JANUARY 1 – MARCH 31	APRIL 14
APRIL 1 – JUNE 30	JULY 15 *
JULY 1 – SEPTEMBER 30	OCTOBER 14
OCTOBER 1 – DECEMBER 31	JANUARY 14 *

*Performance Measures Checklist due

Quarterly Progress Reports are to be emailed, along with Quarterly Financial Reports to *both* Sarah Nimetz, Grant Specialist (SNimetz@dnr.IN.gov) and Kacey Alexander, Operations Manager (KAlexander@dnr.IN.gov).

Quarterly Progress Report Assembly

Quarterly Progress Reports should provide a status update on all of the Tasks included in the Exhibit A timeline in your Grant Agreement. See the LMCP Website for a reporting template.

INFORMATION TO PROVIDE ON YOUR QUARTERLY PROGRESS REPORT
Objectives established for the period vs. actual accomplishments
Reasons for slippage if established objectives were not met
Analysis and explanation of cost overruns or high unit costs
Explanations and status of approved and requested budget changes
Any onsite technical inspections and percentage completion
Any significant developments or milestones
Any problems, delays, adverse conditions that have or will impair ability to meet objectives
Any actions taken or assistance needed to resolve problems or delays
Favorable developments, such as meeting objectives ahead of schedule or at less cost
Project meetings held, as well as relevant upcoming meetings scheduled

Also to be included in your Quarterly Progress Report for Natural Area Restoration Projects:

- Number of acres and detailed map showing where restoration activities took place for the quarter, as well as photo documentation of completed work, whenever possible.

Failure to Submit Correct and Complete Reports on Time

In accordance with the Grant Agreement, grantees are required to submit Quarterly Progress and Quarterly Financial Reports in a timely fashion. Requests for reimbursement made on a Quarterly Financial Report that is submitted past the above listed due date may be denied at the discretion of the LMCP and will need to be included in the following Quarterly Financial Report by the Grantee.

All Quarterly Financial Reports must be submitted with accompanying supportive documentation as designated in this Grants Manual. Failure to include supportive documentation may result in the denial of a claim for payment.

Failure to submit either one of these reports on time may result in cancellation of the grant. If you have questions, or anticipate any delays, it is imperative that you contact the Grant Specialist. The timely submission of these reports, as well as the Performance Measures checklist, is a requirement of your participation in the program.

Failure to submit correct and complete reports on time begins a series of warning notice issuances, which LMCP takes seriously and enforces on a quarterly basis:

First Warning

- When complete and correct Quarterly Progress and Financial Reports have not been received within 10 business days after deadline.
- Includes supporting documentation for Financial Reporting.
- Email reminder of overdue reporting will be sent.

Second Warning

- When complete and correct Quarterly Progress and Financial Reports have not been received within 10 business days after first warning.
- Includes supporting documentation for Financial Reporting.
- Email and telephone reminder of overdue reporting will be sent.

Final Warning

- When complete and correct Quarterly Progress and Financial Reports have not been received within 10 business days after second warning.
- Includes supporting documentation for Financial Reporting.
- Certified letter regarding grant being in jeopardy of cancellation.

Cancellation of Grant

- When complete and correct Quarterly Progress and Financial Reports have not been received within 10 business days after final warning issued.
- Includes supporting documentation for Financial Reporting.

The Lake Michigan Coastal Grants Program offers many opportunities for grantees to learn how to properly complete and submit all required reports. Both the Grant Specialist and the Operations Specialist are available to assist and answer questions. This LMCP Grant Administration Manual contains instructions for completing reports. Grantees are required to attend a Startup Workshop at the beginning of their grant-project period, where reporting requirements are explained in detail. There is no reason incorrect reports should be submitted.

Quarterly Financial Reports

The required reporting form is available on the LMCP website.

In addition to Quarterly Progress Reports, grantees are required to submit a Quarterly Financial Report every quarter, regardless of inactivity. If there has been no activity during the quarter, submit a Quarterly Financial Report form with the “Current Invoice” column at \$0.00. Like the Quarterly Progress Reports, Quarterly Financial Reports must be accurate and up-to-date and are an important part of participating in the Coastal Grants program. A template can be found on the LMCP Website.


Quarterly Financial Report Assembly

When assembling a Financial Report, keep in mind the following basic rules:

- All expenses for which you wish to be reimbursed (LMCP) or expenses you wish to count as match MUST be properly documented. Failure to provide supporting documentation will prevent reimbursement of any funds.
- Proof that an expense has been incurred, as well as proof that an expense has been paid, must be provided for all expenses.
- In order to be eligible for reimbursement, you must have at least an equal amount of match documented.
- All grantees must stay within their budget. Any deviations from the agreed-upon budget in the Grant Agreement, without prior approval from the Grant Specialist, will jeopardize your ability to be reimbursed. If you wish to change your budget, procedure must be followed as detailed on page 9 .

Data Input

First, fill in all of the requested information, and enter your original approved budget, as found in the Grant Agreement, Exhibit B. The form will self-populate the “Balance” section of the form:

 INDIANA LAKE MICHIGAN COASTAL GRANT PROGRAM QUARTERLY FINANCIAL REPORT <small>State Form 55-105 (R2/12-15)</small> INDIANA LAKE MICHIGAN COASTAL PROGRAM											
Project Number: CZ XXXX						Report Date (month, day, year): 10/15/2018					
Report Period: 7/1/18 - 9/30/18											
Project Sponsor: The Galactic Empire											
Project Title: Super Secret Death Star						Telephone Number: XXX-XXX-XXXX					
Project Administrator: Darth Kitten						Contact E-mail Address: dkitten@empire.gmail.com					
Category	Authorized Budget		Current Invoice		Previously Invoiced		Invoiced to Date		Balance		
	LMCP	Match	LMCP	Match	LMCP	Match	LMCP	Match	LMCP	Match	
Personnel	\$5,000.00	\$5,000.00					\$0.00	\$0.00	\$5,000.00	\$5,000.00	
Fringe	\$5,000.00	\$5,000.00					\$0.00	\$0.00	\$5,000.00	\$5,000.00	
Travel	\$5,000.00	\$5,000.00					\$0.00	\$0.00	\$5,000.00	\$5,000.00	
Supplies	\$5,000.00	\$5,000.00					\$0.00	\$0.00	\$5,000.00	\$5,000.00	
Contractual	\$5,000.00	\$5,000.00					\$0.00	\$0.00	\$5,000.00	\$5,000.00	
Indirect							\$0.00	\$0.00	\$0.00	\$0.00	
Total	\$25,000.00	\$25,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25,000.00	\$25,000.00	
Other Cost Explained:											
Other Match Explained:											
Signature of Project Administrator:						Date Signed (month, day, year):					

Next, we will need supporting documentation for all funds you are claiming for reimbursement (LMCP) and Match. The next few pages will provide additional information on what is required, and considered supporting documentation, in each category.

Supporting Documentation

Personnel

For all expenses being claimed under “Personnel” on the Quarterly Financial Report, two pieces of documentation are required. This documentation is required whether the expense is counted toward LMCP funds or Match:

- A timesheet for each employee with:
 - Hourly rate
 - Fringe
 - Brief description of work performed pertaining to project
 - Signed and dated
- Pay Stub or Electronic Record proof of payment for each employee

Below is a sample timesheet with the required information:

Supplies

For all expenses being claimed under Supplies on the Quarterly Financial Report, two pieces of documentation are required. In this category, the cost of materials that were purchased for the grant project will be listed. This documentation is required whether the expense is counted toward LMCP funds or Match.

- Invoice
- Proof of Payment
 - Cash receipt
 - Copy of check
 - Credit card statement

Contractual

For all expenses being claimed under Contractual on the Quarterly Financial Report, two pieces of documentation are required. This documentation is required whether the expense is counted toward LMCP funds or Match.

- Invoice
- Proof of payment
 - Cash receipt
 - Copy of check
 - Credit card statement

Indirect

For all expenses being claimed under Indirect on the Quarterly Financial Report, one piece of documentation is required. The Grantee must inform the LMCP of what amount is being used and how the rate is calculated. A 10 percent *de minimus* rate may be applied to any project for which the applying organization has never had a Federally Negotiated Indirect Rate. In the event that a grantee has a Federally Negotiated Indirect Rate, the agreement must be submitted to the LMCP.

Important: If a submitted Quarterly Financial Report is discovered to be incorrect, LMCP will give one week for the Grantee to work with the Operations Specialist to correct any errors with the report. If the problems have not been corrected within 10 business days, the First Warning will be initiated at that time, and the warning notice process will be applied.

At the close of every project, the Lake Michigan Coastal Program requires the submission of a Final Project Report. **The Final Report is to be submitted within 30 days of the end date of the grant.** Final reimbursement will be withheld until LMCP approves the Final Report and proof that all outstanding budget items have been paid in full.

Draft Final Reports may be submitted for review and comment prior to final submission. Review will ensure to both the Grant Specialist and the Grantee that all work objectives have been met. **Draft Final Reports must be submitted at least 45 days before the grant expiration date to allow for staff review and comment.** Submission of a draft may save time and expenses before submitting a Final Report without review.

The LMCP may request a second draft, depending upon the content review of the initially submitted Final Report draft.

The following are all of the required components of a complete Final Report:

One electronic copy in a single organized PDF or Word document of a complete Final Project Report are required to be submitted for approval.

- **Title Page**
 - Title of project
 - Entity who received grant
 - Project number starting with CZ
 - Proper acknowledgement
- **Proper Acknowledgement** – correct examples of acknowledgement of support are:
 - “This publication was made possible by a grant from the National Oceanic and Atmospheric Administration and the Indiana Department of Natural Resources Lake Michigan Coastal Program.”
OR
 - “Funding for this program was provided in part by the National Oceanic and Atmospheric Administration and the Indiana Department of Natural Resources Lake Michigan Coastal Program.”
OR
 - “Funding for this project was provided in part by the National Oceanic and Atmospheric Administration and the Indiana Department of Natural Resources Lake Michigan Coastal Program.”
OR
 - “Funding for this sign was provided in part by the National Oceanic and Atmospheric Administration and the Indiana Department of Natural Resources Lake Michigan Coastal Program.”
- **Executive Summary**
 - A summary of the project

- **Fully Signed Grant Agreement**
-include any amendments
- **Pre-Proposal**
-include any attachments
- **Full Proposal**
-include any attachments
- **Project Area Maps**
-1:24,000 scale
-if applicable
- **RFPs and Contracts**
-all contracts paid for using grant funds
-and RFPs issued during your grant project
- **Engineering, Design, and Construction Information**
-any design or engineering documents used for your grant project
- **Copies of Permits**
-any permitting that was required pertaining to your grant-funded project
- **Post-Project Maintenance Plan**
-detailing your intended upkeep and maintenance of your project
-who is responsible for what portion of the plan
- **Public Outreach Plan**
-how you intend to make the public aware of your project
- **Work Products/Deliverables**
-any brochures, event details, plans created and developed, and details from meetings held about the project
-any works produced as part of the grant project
- **Copies of all Quarterly Progress & Financial Reports**
-all reporting submitted during the project
- **Copies of all Performance Measures Checklist**
-all checklists submitted during the project
- **Photos**
-before and after photos of project
- **Data Sharing Plan** - *template available on the LMCP website*
-if applicable
- **Any additional information pertinent to your project**

The above is required for all project categories. There may be additional required components based on your project type, as described below:

The following is required in addition for all **Low Cost Construction Final Reports**:

- **Before and after project area photos**
- **Detailed description of the work completed**
- **Engineering/design plans used for project**
- **Photo documentation of completed work**
- **All required permitting**
- **Post-project Maintenance Plan (20-year maintenance)**
 - This plan should include a public access component, including ways to minimize impact from authorized use, and ways to deter unauthorized use of the site.

The following is required in addition for all **Land Acquisition Final Reports**:

- **Copies of the new title**
- **A title opinion**
- **Liens or notice of record**
- **Conservation Easement**
- **All required permitting**
- **Documentation of the total and amount paid for the property**
- **Photos of acquired property**
- **Post-project Maintenance Plan (20-year maintenance)**
 - This plan should include a public access component, including ways to minimize impact from authorized use, and ways to deter unauthorized use of the site.

Satisfactory Work Products

Upon the submission of a completed Final Project Report, LMCP will review the work products created through the Grant Project. All publications, documents, meeting minutes and sign-in sheets, plans, design and engineering documents, and any other work products created or used as part of the grant project will be required with the submission of your Final Report. LMCP will be reviewing these materials and performing site inspections as necessary to ensure all agreed-upon work products and deliverables have been met. This may require further professional review by engineers or other specialties to ensure the work products detailed in the Grant Agreement have been satisfactorily met.

LMCP encourages grantees to submit work products as early as possible or even throughout the Project (in addition to with the Final Report). This ensures a thorough and timely review and allows for any changes or discrepancies to be addressed prior to the expiration of the Grant Agreement. Failure to complete the work products as outlined in the Grant Agreement may result in reduced or withheld reimbursement pending the meeting of these deliverables.

PERFORMANCE MEASURES REPORTING

This required reporting form is available on the LMCP website.

The National Oceanic and Atmospheric Administration is the Lake Michigan Coastal Program's federal sponsor. Part of participating in the Coastal Zone Management Program is providing specific information to NOAA to help them track each state's Coastal Zone Management Programs performance. To better collect this information from grantees, LMCP requires all grantees submit a completed Performance Indicators Checklist every six months.

The completed form is to be submitted every January and July at the same time as your Quarterly Progress Reports.

It is possible that some, or all, of the measures may not apply to your project. Please still provide a 0 in the space provided if the measure is not applicable.

PROJECT BUDGET

The Lake Michigan Coastal Program's Federal Sponsor, the National Oceanic and Atmospheric Administration, requires that all funds be subject to Federal Accounting Standards. These standards include proof of match and adequate information regarding expenditure of grant funds. The standards are in place to ensure that both the Grantee and the Indiana Department of Natural Resources meet federal audit requirements as stipulated in the Coastal Zone Management Act of 1972.

The Grantee will be required to make the initial outlay of project funds. At the time of submission of Quarterly Financial Reports with Quarterly Progress Reports, the Grantee may request reimbursement. It is expected that the Grantee maintains records of all expenses incurred and funds received for a period of three years.

It is imperative that projects accrue Match while seeking reimbursement for work performed. **Reimbursement will not be provided until an amount equal to the reimbursement request of Match has been spent and documented in the Quarterly Financial Report.**

Match cannot be accrued prior to the date of approval to begin project work. All expenses must be incurred prior to the expiration date of the Grant Agreement. All outstanding expenses must be paid by the Grantee within 30 days of the expiration date of the Grant Agreement.

Budget Line Items Definitions

Personnel- Wage expenses of paid staff

Required Documentation for Reimbursement:

- Copies of timesheets
 - Prepared and signed by each person
 - Required for all paid personnel expenses – LMCP or Match
 - One for each person involved in project
 - Project supervisor must sign
 - Must include dates each person worked on project, hours worked on each date, and hourly rate applicable for each worker
- Payroll information for all paid personnel

Personnel is **not** hours donated by volunteers.

Fringe – FICA, insurance premiums, etc.; calculated as a percentage of salary costs

Required Documentation for Reimbursement:

- Copies of insurance bills
- Payroll deductions

Travel – Hotel bills, mileage charges, per diem

Required Documentation for Reimbursement:

- Copies of travel vouchers (or internal paperwork used to verify mileage costs/travel expenses)
- Mileage figures (mileage claims cannot exceed Indiana State Auditor's rate)
 - Date mileage was accumulated

Travel is **not** food.

Supplies – Items necessary to complete the project, as well as construction materials that may be used on construction projects and are not included in contractual expenses.

Required Documentation for Reimbursement:

- Copies of invoices or cash receipts

Supplies are **not** food.

Contractual – Cost of professionals engaged to work on the project on a contractual basis

Required Documentation for Reimbursement:

- Copy of signed contract
- Contractor invoices

Indirect – The approved Federally Negotiated Indirect Rate must be used. If one does not exist for applying organization, 10 percent *de minimus* rate may be applied if the organization has never had a Federally Negotiated Indirect Rate in the past.

Volunteer – Hours donated by a volunteer

Volunteer time used as an in-kind match must be charged at the rate paid for the type of work being done or at the rate paid for minimum wage. Example: The time an attorney spends doing data entry work for a project is charged at the rate paid to data entry operators. If the attorney volunteers legal work for the project, the attorney's volunteer time is charged at the rate paid an attorney. Indiana Department of Workforce Development publishes average wages for most Indiana jobs and industries. (<http://www.in.gov/dwd/inews/lmi.asp>). The pay rate for all volunteers working on Coastal Grant projects must be approved by LMCP.

Required Documentation for Reimbursement:

- Copies of timesheets
 - Must be prepared and signed by each person involved in the project
 - Must be signed by project supervisor
 - Must include dates on which each person worked on the project, number of hours worked on each date, hourly rate applicable for each worker

Purchasing Supplies

When Coastal Grant Program funds are used to procure supplies or pay for services, the purchases must be made in compliance with state and federal standards, which govern the LMCP. These standards vary in accordance with the size and nature of the purchase.

Supplies are defined as tangible items costing up to \$5,000 and purchased solely for grant purposes. A single supply item that exceeds an amount of \$5,000 and has a life expectancy beyond the life of the grant is considered to be **equipment** and therefore is not reimbursable by this Grant Program.

Fair and Reasonable Pricing

LMCP policy requires verification of fair and reasonable pricing whenever a grantee uses pricing from only one vendor. Regardless of the type of purchase, this must be proven. Fair and reasonable pricing may be verified using the following methods:

- Provide a copy of the vendor's published price list for the item(s) or service(s) solicited.
- Provide a copy of the purchase order or contract from a previous purchase of the same item(s) or services(s). If the cost difference is within an acceptable margin based on the current market, the quote is considered fair and reasonable.
- Compare the item being purchased to similar items. For example, the total purchase price for a new copier may be less than a contract for the three-year lease term on a similar piece of equipment.
- Compare the item to a similar item(s) on the internet.
- Compare the item to another item processed through your office.

Purchases under \$500

Solicitation for quotations is not required for purchases of supplies under \$500.

Purchases greater than \$500

At least three or more price quotations from qualified vendors is required if a supply/supplies is expected to cost between \$500 and \$5,000.

Ways to Solicit Quotes

Grantees should select at least three vendors to solicit. The solicitation process must follow the Grantee's existing procurement method, should there be one in place. This can include obtaining quotes, requesting proposals, or calling for a comparative analysis. A clear audit trail is required.

By Telephone

Grantee would be required to keep documentation on file indicating who Grantee spoke with and the date of the conversation, as well as the resulting quotation amount of the solicitation.

In Writing

Use the Request for Quotation (RFQ) process to solicit vendors in writing. The creation of a solicitation in writing must include the date and time the quote is to be returned.

Documentation of the RFQ, as well as the yielded results will need to be retained for submission with the project's Final Report.

Hiring Practices

In some cases, grantees will hire individuals to complete certain tasks of the project. Workers engaged on an hourly or salaried basis are considered to be employees of the Grantee.

Employees hired to work on the grant project must be selected from a pool of applicants located after public notification of the vacancy. All hiring practices must be conducted in accordance with state and federal regulations prohibiting discrimination on the basis of age, sex, race, color, genetic information, or disability.

HIRING A CONTRACTOR OR CONSULTANT

The Lake Michigan Coastal Program requires a formal competitive process on all contracts estimated to exceed \$25,000.

At a minimum, this process requires quotes from three bidders. This process must also follow state and federal regulations prohibiting discrimination on the basis of age, sex, race, color, genetic information, or disability.

Federal regulations require a competitive procurement process in the selection of professional services that are connected with a federally funded project. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, and invitations for bidder requests for proposals must be excluded from competing for such procurements. (2 CFR Part 200 § 319)

Additionally, all procurement transactions must be conducted in a manner providing full and open competition. To accomplish this, situations considered to be restrictive of competition include but are not limited to:

- (1) Placing unreasonable requirements on firms in order for them to qualify to do business.
 - (2) Requiring unnecessary experience and excessive bonding.
 - (3) Noncompetitive pricing practices between firms or affiliated companies.
 - (4) Noncompetitive contracts to consultants that are on retainer contracts.
 - (5) Organizational conflicts of interest
 - (6) Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and
 - (7) Any arbitrary action in the procurement process
- (2 CFR Part 200 §319)

Requests for Quotations

Also applicable to Requests for Proposals (RFP), Requests for Bids (RFB) and Invitations to Bid.

When the need arises for a grantee to obtain the services of an outside contractor, the process must include competitive selection, starting with a Request for Quotations (RFQ).

Any bid documents under the Coastal grant must be submitted to the LMCP for approval prior to bid solicitation.

Public solicitation by the Request for Quotation/Invitation to Bid process is required to ensure diverse and competitive submission of quotations. The use of public notices and news publications can aid in acquiring competitive quotes.

A minimum of three written quotations should be obtained via the RFQ whenever possible.

Preparing Bid Documents

The Grantee must have written selection procedures in place for procurement transactions. Bids must be solicited from an adequate number of known consultants, suppliers, and/or contractors.

The bid documents (and subsequently, contract documents) should include the following:

- A clear and accurate description of:
 - Requirements for the material, product, or service to be procured
 - Description of the work items or services being sought, without unduly restricting competition
 - The qualitative nature of the material, product, or service to be procured, to set forth minimum essential characteristics and standards to which it must conform
 - Any specifications and pertinent attachments.
- A list of all requirements that all bidders must fulfill and all other factors to be used in evaluating all bids and proposals, such as prior experience relevant to the project at hand.
- A payment schedule for the reimbursement of contracted work.
 - Grantees are urged to adopt a measure to guarantee contract work will be completed successfully, in a timely manner, and in compliance with all project requirements.
 - Please keep in mind that LMCP provides reimbursements on a quarterly basis.
- A deadline for and preferred methods of submission of bids, as well as the details of a public opening and reading of all bids received.
- A deadline for the completion of project work.
- A termination for breach of contract clause. This should explain the manner by which the Grantee may enact it, as well as the administrative, contractual, or legal remedies available to the grantee.
 - Language must describe the conditions under which the contract may be terminated for default, as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.

In addition, the bid documents (and subsequently, contract documents) must include the following language:

- This project is funded in part by a grant from the U.S. Department of Commerce, National Oceanic and Atmospheric Administration, and is being administered by the Indiana Department of Natural Resources Lake Michigan Coastal Program. Compliance with all applicable federal, state, and local laws, rules, and regulations is required.
- The Indiana Department of Natural Resources, the Indiana State Auditor, the U.S. Department of Commerce, the Comptroller General of the United States, or any of their duly authorized representatives, will have access to any books, documents, papers, and

records of the contractor that are directly pertinent to that specific contract, for the purposes of making audit, examination, excerpts, and transcription. Such records must be maintained for three years after closeout of the contract.

Personal or Professional Contractual Services

Contracting to hire additional staff or consultants for Coastal Grant Projects must use an open selection process. During this process, qualified workers are to be employed at a reasonable price. Workers employed by the Grantee on an hourly or salaried basis are considered to be the Grantee's employees.

Employees hired to work on the grant Project must be selected from a pool of applicants located after public notification of the vacancy. All hiring practices must be conducted in accordance with state and federal regulations prohibiting discrimination on the basis of age, sex, race, color, genetic information, or disability.

Often, it is advisable to contract a professional or consultant to serve on the project or to provide other specialized services. These consultants are hired on a contractual basis, usually agreeing to provide a certain product or service for a fixed price.

Procurement of contractual/professional services must be conducted in a manner that provides maximum open and free competition. The procurement procedures must not restrict or eliminate competition.

Minority and Women's Business Enterprises Division

MWBED is a multi-purpose service agency for all Minority Business Enterprises, Women Business Enterprises, and Disadvantaged Business Enterprises vendors and contractors. It is suggested that the contract process involves reviewing the listed businesses and identifying potential businesses to contact during the bidding process. www.in.gov/idoa/mwbe/index.htm

Contractor Selection

All companies must be registered with and approved to conduct business within the State of Indiana. This can be confirmed using the [INBIZ tool](#) on the Indiana Secretary of State's website.

A fixed-fee price contract (lump sum or unit price) should be awarded to the bidder whose bid, conforming to all material terms and conditions of the invitation for bids, is lowest in price and most advantageous to the Grantee. The Grantee is expected to consider the price, discounts, transportation costs, taxes, and the contractor's ability to fulfill the contract.

If unusual circumstances arise surrounding the awarding of contracts, LMCP should be consulted. Examples of these include:

- Failure to receive a sufficient number of bids

- Great disparity in bid quotations
- Intent to award a contract to someone other than the lowest bidder

Should there be an instance in which a contractor is not the lowest bidder, but can guarantee higher quality work for a reasonable price, the situation will need to be documented and justified to the LMCP.

When hiring contractors for a Coastal Grant project, the Grantee must provide evidence that:

- The fee is appropriate considering the qualifications of the consultant/contractor, the fees which the contractor ordinarily charges, and the nature of the services being provided.
- That no bidding contractor with equal experience and qualifications is available for a lesser amount.

Supplying LMCP with all bid submissions and any scoring criteria and results is sufficient evidence of these requirements.

The Grantee is expected to maintain sufficient records that detail the significant history of procurement. These records include, but are not limited to, information pertinent to: rationale for the method of procurement, selection of contract type, all bids received, contractor selection or rejection notices, and the basis for the cost or price of the goods and/or services to be provided.

Procurement Requirements

Because the procurement process is a critical and time-consuming part of any Coastal Grant project, LMCP will make every effort to review bid and contract documents as quickly as possible. However, grantees should allow **10 business days** for review and approval of these documents.

A contract for any aspect of project work cannot be entered into without the prior written approval of the LMCP.

LMCP reserves the right to reject contractors selected by grant recipients to work on Coastal Grant funded projects. Contractors who have failed to perform adequately on past projects will not be approved. The Grantee is advised to not make any commitments to any parties prematurely.

Upon selection of contractor, an explanation is to be provided to the LMCP as to how the Grantee selected the contractor. This may be included in the Quarterly Progress Report immediately after contractor selection.

306A LOW COST CONSTRUCTION PROJECT REQUIREMENTS

Any Project that makes a physical change to a property, disturbs the soil, uses machinery or hand tools, or results in the construction of man-made structures qualifies as a Low Cost Construction project. This type of Project also includes habitat restoration practices and projects.

As stated in the “Procurement” section of this manual, all plans, specifications, and any other pre-development information must be reviewed and approved by LMCP before any Low Cost Construction work is to begin.

Also required for all Low Cost Construction projects is the submission of any required local, state, and federal permits for the grant Project.

Restoration Projects

Included with the required Quarterly Progress and Financial Reports, LMCP requires a detailed map that identifies where specific restoration took place during the quarter whenever possible. Restoration projects should also include photo documentation of completed work whenever possible.

As stated in your Grant Agreement, no trees equal to or greater than 3 inches in diameter at breast height may be cut or removed between April 1 and September 30. Also, all mechanical cutting activity must be restricted to times when the ground is frozen.

If a natural area or habitat restoration project includes any plantings, the plant list or seed mix must be submitted to the LMCP for review and approval before implementation.

Additionally, all 306A Low Cost Construction projects require that any plans, specifications, or other predevelopment information be submitted to the LMCP for review and approval before any construction work is to begin.

Any Low Cost Construction project that includes field work including construction activities, surveys, educational, training or volunteer programs must be conducted in accordance with appropriate federal, state, and local laws and must follow recognized best practices. Necessary steps must be taken to minimize the risk of spreading terrestrial and aquatic invasive species and to minimize the impact to the human environment during the Project.

Post-Project Maintenance

Grantees have a commitment to maintaining project operation and standards for a minimum of 20 years through a maintenance plan, as stated in the Grant Agreement, Section 7.

Accounting and Reimbursement

As with all Lake Michigan Coastal Grants, the Grantee will make the initial outlays of project funding and will submit Quarterly Financial Reports with their Progress Reports for reimbursement requests. The Grantee is expected to maintain records of all expenses incurred and funds received for a period of three years.

The DNR will retain 15 percent of the total grant amount until LMCP has reviewed the final products and has found them to be in compliance with applicable requirements in the Grant Agreement and this Grant Administration Manual. When all the work has been completed and accepted, and all required financial documentation has been submitted to the LMCP, the 15 percent retention or the balance of approved grant procedures will be released for payment.

All expenses must be incurred prior to the expiration date of the grant agreement. All outstanding expenses must be paid by the Grantee within 30 days of the expiration of the grant agreement.

Ineligible Costs

The following costs associated with Low Cost Construction projects are ineligible, and cannot apply to either LMCP funds or Match:

- Boundary surveys, appraisals, title searches, legal fees, fines, and any penalties paid
- Taxes or permits
- All necessary state, local, and federal permits for any project work

ADA/ABA Requirements

A Low Cost Construction project may consist of new construction or the renovation of a facility designed to increase public access in the Lake Michigan Coastal area. The LMCP requires that all facilities and applicable projects developed with Coastal Grant funding must be designed in accordance with the Architectural Barriers Act of 1968 and the Americans with Disabilities Act, which ensure that structures financed with federal funds are designed and built to be accessible for persons with disabilities. Project sponsors should consider the needs of persons with disabilities in every project possible.

Grantees are encouraged to refer to the Americans with Disabilities Act and Architectural Barriers Act Accessibility Guidelines for design standards. Using universal design is preferred because it addresses the needs of all citizens.

Low Cost Construction Project Final Reports

Upon the completion of a LMCP Low Cost Construction project, the following information is required in the submission of the Final Project Reports, in addition to the documentation listed on pages 15-16:

- Detailed description of the work completed
- Engineering documents used for project
- All required permitting for project work
- Photo documentation of completed work
- Post-Project Maintenance Plan (20-year maintenance)
 - This plan should include a public access component, including ways to minimize impact from authorized use, and ways to deter unauthorized use of the site.
- Post-Project Public Outreach Plan

Signage

Grantees must erect and maintain temporary and permanent signs satisfactory to the DNR at the site of any Low Cost Construction project during and after construction. These signs must identify the project and indicate that it is being funded under the Coastal Zone Management Act by the National Oceanic and Atmospheric Administration and the Indiana Department of Natural Resources Lake Michigan Coastal Program.

The temporary sign must be located onsite, near the entrance or near the site. Temporary signs should include the name of the project, start and end dates, and the Grantee's/Sponsor's contact information.

The LMCP will provide a permanent sign to be displayed at the project site. The permanent sign must be located onsite near the entrance or at the site of the completed project.

Land Acquisition projects involve the acquisition from willing sellers of a fee-simple or other interest in land, such as purchasing an easement for a public right of way.

Basic Acquisition Policies

As stated in 49 CFR Sec 24.102:

- a. **Expeditious acquisition:** The Grantee shall make every reasonable effort to acquire the real property expeditiously by negotiation.
- b. **Notice to owner:** As soon as feasible, the owner shall be notified of the Grantee's interest in acquiring the real property and the basic protections, including the agency's obligation to secure an appraisal, provided to the owner by law and this part. (also see Sec 24.203)
- c. **Appraisal, waiver thereof, and invitation to owner:** (1) Before the initiation of negotiations of real property, except as provided in Sec 24.102 (c)(2), and the owner, or the owner's designated representative, shall be given an opportunity to accompany the appraiser during the appraiser's inspection of the property. (2) An appraisal is not required if the owner is donating the property and releases the Grantee from this obligation, or the Grantee determines that an appraisal is unnecessary because the valuation problem is uncomplicated and the fair market value is estimated at \$2,500 or less, based on a review of available data.
- d. **Establishment and offer of just compensation:** Before the initiation of negotiations, the Grantee shall establish an amount that it believes is just compensation for the real property. The amount shall not be less than the approved appraisal of the fair market value of the property, taking into account the value of allowable damages or benefits to any remaining property. (See also Sec.24.104) Promptly thereafter, the Grantee shall make a written offer to the owner to acquire the property for the full amount believed to be just compensation.
- e. **Summary statement:** Along with the initial written purchase offer, the owner shall be given a written statement of the basis for the offer of just compensation, which shall include: (1) A statement of the amount offered as just compensation. In the case of a partial acquisition, the compensation for the real property to be acquired and the compensation for damages, if any, to the remaining real property shall be separately stated. (2) A description and location identification of the real property and the interest in the real property to be acquired. (3) An identification of the buildings, structures, and other improvements (including removable building equipment and trade fixtures) that are considered to be part of the real property for which the offer of just compensation is made. Where appropriate, the statement shall identify any separately held ownership interest in the property, and indicate that such interest is not covered by the offer.

- f. Basic negotiation procedures: The Grantee shall make reasonable efforts to contact the owner or the owner's representative and discuss its offer to purchase the property, including the basis for the offer of just compensation. The Grantee shall also explain its acquisition policies and procedures, including its payment of incidental expenses in accordance with Sec. 24.106. The owner shall be given reasonable opportunity to consider the offer and present material that the owner believes is relevant to determining the value of the property and to suggest modification in the proposed terms and conditions of the purchase. The Agency shall consider the owner's presentation.
- g. Updating offer of just compensation: If the information presented by the owner, or a material change in the character or condition of the property, indicates the need for new appraisal information, or if a significant delay has occurred since the time of the appraisal(s) of the property, the Agency shall have the appraisal(s) updated or obtain a new appraisal(s). If the latest appraisal information indicates that a change in the purchase offer is warranted, the Agency shall promptly reestablish just compensation and offer that amount to the owner in writing.
- h. Coercive action: The Grantee shall not advance the time of condemnation, or defer negotiations or condemnation or the deposit of funds with the court, or take any other coercive action in order to induce an agreement on the price to be paid for the property.
- i. Administrative settlement: The purchase price for the property may exceed the amount offered as just compensation when reasonable efforts to negotiate an agreement at that amount have failed and an authorized NOAA official approves such administrative settlement as being reasonable, prudent, and in the public interest. When federal funds pay for or participate in acquisition costs, a written justification shall be prepared that indicates that available information (e.g., appraisals, recent court awards, estimated trial costs, or valuation problems) supports such a settlement.
- j. Payment before taking possession: Before requiring the owner to surrender possession of the real property, the Grantee shall pay the agreed purchase price to the owner, or in the case of a condemnation, deposit with the court, for the benefit of the owner, an amount not less than the grantee's approved appraisal of the fair market value of such property, or the court award of compensation in the condemnation proceeding for the property. In exceptional circumstances, with the prior approval of the owner, the Grantee may obtain a right-of-entry for construction purposes before making payment available to an owner.
- k. Uneconomic remnant: If the acquisition of only a portion of a property would leave the owner with an uneconomic remnant, the Agency shall offer to acquire the uneconomic remnant along with the portion of the property needed for the project. (See Sec. 24.2)

Appraisal

Before purchasing a piece of property with Lake Michigan Coastal Grant funds, the Grantee is required to obtain independent appraisals by a state-approved appraiser to determine the fair market value of the property. Grantees shall adhere to the following steps in negotiating acquisition price (as included in 49 CFR 24.102 – Basic acquisition policies):

1. Secure independent property appraisal by state approved appraiser.
2. Present appraisal to landowner and negotiate price based on appraisal. Property owner shall be given a reasonable opportunity to consider the offer and present material that the owner believes to be relevant to determine the property's value.
3. If property owner will not sell for the appraised price or lower, and the Grantee receives written permission from the LMCP to pursue the acquisition, a second independent appraisal shall be done by a state-approved appraiser, or the original appraisal may be updated to account for changed circumstances.
4. If, after negotiations and a second or revised first appraisal, the purchase price still exceeds the appraised value, the Grantee may be allowed to pay more than the appraised value using NOAA Coastal Zone Management funds. The Grantee must demonstrate reasonable efforts to negotiate at the appraised value, and if the applicant provides the LMCP with a written justification for the higher price, based on reasonableness, prudence, public interest, appraisals, estimated condemnation/trial costs, and/or valuation supports a settlement. The National Oceanic and Atmospheric Administration Coastal Programs Division, must also approve a request to pay more than the appraised value. However, the total grant cost cannot exceed \$150,000 and is contingent upon availability of funds.

Land Acquisition projects should have had an appraisal in order for the Full Proposal to be accepted. The appraisals must be prepared to Uniform Appraisal Standards for Federal Land Acquisitions and must be consistent with Standards 1 & 2 of the Uniform Standards of Professional Appraisal Practice.

Land Acquisition Project Final Report

Upon the completion of a LMCP Land Acquisition project, the following information is required in the submission of the Final Project Reports, in addition to the documentation listed on pages 14-16:

- The Grantee shall record liens or other appropriate notices of record to indicate that real property has been acquired with federal funds and that disposition conditions apply to the property, which may include a LMCP-approved deed restriction or conservation easement held by the DNR for a minimum of 20 years.
- Post-Project Public Outreach Plan

- Post-Project Maintenance Plan (20-year maintenance)
 - This plan should include a public access component, including ways to minimize impact from authorized use, and ways to deter unauthorized use of the site.

Accounting and Reimbursement

As for all Lake Michigan Coastal Grants, the Grantee will make the initial outlays of project funding and will submit Quarterly Financial Reports with their Progress Reports for reimbursement requests. The Grantee is expected to maintain records of all expenses incurred and funds received for a period of three years.

The DNR will retain 15 percent of the total grant amount until the LMCP has reviewed the final products and finds them to be in compliance with applicable requirements in the Grant Agreement and this Grant Administration Manual. When all the work has been completed and accepted, and all required financial documentation has been submitted to the LMCP, the 15 percent retention or the balance of approved grant procedures will be released for payment.

All expenses must be incurred prior to the expiration date of the grant agreement. All outstanding expenses must be paid by the Grantee within 30 days of the expiration of the grant agreement.

Ineligible Costs

Reimbursement will be based only on the approved appraised amount. The following costs associated with Land Acquisition projects are ineligible, and cannot apply to either LMCP funds or Match:

- Boundary surveys, appraisals, title searches, legal fees, fines, and any penalties paid
- Taxes or permits
- All required local, state, and federal permits
- Personnel, supplies, fringe

Conservation Easements/Public Right of Way

Appraisals for conservation easements/public right of ways must also follow the same standards and procedures as fee-simple acquisitions. An easement held by the Indiana Department of Natural Resources must be placed on acquired lands at the time of closing, identifying the use of federal funds in the purchase of said parcel.

Conservation easements and public right of ways may be held by a 501(c)3 non-profit organization, land trust or State/Local agency for a minimum of 20 years.

Signage

Grantees must erect and maintain temporary and permanent signs satisfactory to the DNR at the site of any Land Acquisition project. These signs must identify the project and indicate that it is being funded under the Coastal Zone Management Act by the National Oceanic and Atmospheric Administration and the Indiana Department of Natural Resources Lake Michigan Coastal Program.

The temporary sign must be located onsite, near the entrance of the Land Acquisition. Temporary signs should include the name of the project, start and end dates, and the Grantee's/Sponsor's contact information.

The Lake Michigan Coastal Program will provide a permanent sign to be displayed at the project site. The permanent sign must be located onsite near the entrance or at the site of the completed project.

FISCAL REQUIREMENTS

It is required by state and federal government regulations to include the following in all grant agreements and contracts:

- The State Board of Accounts, or its designee, will have the right to conduct financial audits of the grant recipient.
- Audits will be performed in accordance with compliance guidelines established by the State Board of Accounts.
- Grantees must agree to comply with all reporting requirements prescribed by the State Board of Accounts.
- All grantees must provide a copy of their audit review to the LMCP for any fiscal year concurrent (in whole or part) with the period of the LMCP grant.
- The Catalog of Federal Domestic Assistance number for NOAA/LMCP projects is 11.419.

Audit Requirements of Grant Recipients

As of September 1, 1986, the State Board of Accounts (or its designee) became responsible for the examination of the records and accounts of entities receiving financial assistance from governmental sources. Entities are defined as providers of goods, services, or other benefits that are maintained in whole or in part at public expense, or are supported in whole or in part by appropriations or public funds, or taxation. This definition does not include municipalities, but does include for-profit corporations, and unincorporated associations and organizations. Financial assistance is defined as payments to entities in the form of grants, subsidies, contributions, aid, etc. All organizations must provide the LMCP with a copy of their audit report for any fiscal year concurrent (in whole or in part) with the time period of the LMCP grant.

Non-governmental entities receiving financial assistance from the LMCP in the form of grants are required to file an Entity Annual Report (Form E-1) (Exhibit 5) with the State Board of Accounts. This form is due within 30 days of the closing of the Grantee's year; and details unaudited, cash, or accrual basis financial information relating to the receipt and disbursement of governmental funds during the year.

The receipt of grant funds also subjects grant recipients to compliance with state audit requirements described in IC 5-11-1-9 as follows:

- Entities deriving 25 percent or more of their disbursements from governmental funding will be subject to a complete organization-wide audit performed in accordance with guidelines established by the State Board of Accounts;
- The audit of grant recipients, deriving at least 25 percent of their disbursements from government funds will be limited to matters relevant to the use of these grant funds;

- The audit of grant recipients, deriving at least 25 percent but less than \$25,000 of their disbursements from government funds and who are also incorporated as a not-for-profit, will be limited to matters relevant to the use of these grant funds; and
- All local government units must ensure that the federal funds disbursed by the LMCP are included in the Single Audit conducted on their governmental agency by the State Board of Accounts.

Audit guidelines are available from the State Board of Accounts and should be reviewed prior to contracting for audit services. For additional information about audit requirements, or to obtain audit guidelines or annual report forms, contact:

State Board of Accounts
302 West Washington Street, Room E418
Indianapolis, IN 46204
317-232-2525

CONDITIONS AND CERTIFICATIONS

The following federal conditions and certifications were included in the LMCP Coastal Grants Program Full Proposal:

- Eligibility Questionnaire
- Assurances - §306 Non-Construction Projects
- Assurances - §306A Construction Projects
- Title Opinion
- Certification of Public Ownership
- Certification of Non-Profit Status (if applicable)

Other items that require signature of an authorized agent of the grantee agency and which must be submitted to the LMCP before the grant project may begin:

- Grant Agreement
- W-9 Taxpayer Identification and Direct Deposit Form

Environmental Review

Early Coordination Environmental Review is a National Environmental Policy Act based consultative process within the Department of Natural Resources and involves its Divisions of Nature Preserves, Fish & Wildlife, and Water. Each project is reviewed for potential impacts to threatened, endangered or rare plant and animal life. Environmental Review also provides a regulatory assessment and provides best management practice suggestions for reducing impacts. Early Coordination comments are not considered to be an approved permit.

Indiana Department of Natural Resources
Division of Historic Preservation & Archaeology
National Historic Preservation Act – Section 106

The Section 106 review process is a consultative process that must be completed prior to the initiation of demolition, construction, and ground disturbing activities.

Federal agencies often look to those applying for grants, loans, licenses, or permits to initiate the consultation with the SHPO. Under the Council's current 36 C.F.R. Part 800 regulations which took effect August 5, 2004, the federal agency may authorize the applicant or consultants to gather information on properties that might be affected by the undertaking and to exchange information with the SHPO. The regulations state that the federal agency is to make findings regarding the existence of historic properties within the project's area of potential effects (APE) and regarding the project's effects on them. APE is defined as: The geographic area or areas within which an undertaking may cause changes in the use or

character of historic properties, if any such properties exist and includes effects that are direct or indirect, cumulative, later in time, or at a physical distance.

All Low Cost Construction and Land Acquisition projects will go through these reviews; therefore any comments, recommendations, and findings that result from these reviews will be considered “Special Award Conditions” that will have to be met.

Geospatial Data Collection Special Award Conditions

For awards that provide federal funds for collection or production of geospatial data, the recipient will provide relevant information to LMCP as early as practicable before data collection commences.

This information will be shared with the NOAA office(s) having an interest in these types of data, and the appropriate NOAA staff will work with the recipient to ensure the data and the planned acquisition activities are registered in Geospatial One-Stop (geodata.gov) and comply with OMB Circular A-16, Coordination of Geographic Information and Related Spatial Data Activities at:

<https://www.archives.gov/files/federal-register/executive-orders/pdf/12906.pdf>

The award recipient shall document all new geospatial data it collects or produces using the metadata standards developed by the Federal Geospatial Data Committee (FGDC), and make that standardized documentation electronically accessible to NOAA, if requested. These standards can be found at: <http://www.fgdc.gov/metadata/csdgm/>.

Other project-specific conditions included with the Grant Agreement are not specifically listed above; grantees are advised to review their Grant Agreement for information on any other conditions or project-specific requirements.