



# Grants Quarterly

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Minnesota Board of Water & Soil Resources • [www.bwsr.state.mn.us](http://www.bwsr.state.mn.us) • [gwen.steel@state.mn.us](mailto:gwen.steel@state.mn.us) • 651-296-2428

## Disaster Recovery Assistance Program

Disasters and emergency legislative funding occur frequently and usually unpredictably. To mitigate these circumstances, the Board of Water and Soil Resources (BWSR) approved the new Disaster Recovery Assistance Program at its August meeting.

The program establishes a standard operating procedure for BWSR staff and local government units (LGUs) to optimize efficiencies, responsiveness and legislative appropriations. In the event of a disaster, the new program policy (and guidance) will provide BWSR staff and LGUs the needed implementation information and related processes, of BWSR and other state and federal assistance providers.

The Disaster Recovery Assistance Program provides designated appropriated funds and other BWSR designated funds to LGUs to install, repair, or rehabilitate water quality and watershed protection projects in the disaster area. This Program will utilize appropriations for Erosion and Sediment Control, and Water Quality and Watershed Protection Projects; and, acquisition of Reinvest in Minnesota (RIM) Reserve Conservation easements. The purpose of this policy is to provide clear expectations for the implementation of funds and programs, appropriated to or implemented by BWSR, that are associated with the Disaster Recovery Assistance



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Program.

BWSR may activate the Disaster Recovery Assistance Program in the event of a natural disaster or extreme environmental impact. The Program is authorized by Minnesota Statutes §12A.05 to address critical conservation problems resulting from a natural disaster. This Policy is activated by BWSR resolution or by authority delegated to the Executive Director.

In addition to Policy, a Disaster Recovery Assistance Program Guidance document will also be provided. This Guidance will provide clear step by step instructions for BWSR and LGU staff, from the moment the disaster begins, through recovery, with standardized forms and templates.

## Important Upcoming Dates

**October 28 – December 13:** RFP period for Cooperative Weed Management Area and Soil Erosion and Drainage Law Compliance programs; Request for Information for Targeted Watershed Demonstration Program (pending Board approval)

**October 28 - 30:** [BWSR Academy](#) – Cragun's Conference Center near Brainerd, MN

Watch for more details about the **Biennial Budget Request** and revised **reporting deadlines** in December.

## Updates to the Grants Administration Manual

Important changes have recently been made to the [Grants Administration Manual](#), particularly those portions of the manual which address financial record keeping, amendments to grant agreements, and work plan revisions. An overview of these changes is provided below.

### Grant agreement amendments and work plan revisions

This section of the manual has been revised with important beneficial changes for BWSR and LGUs. LGUs now have more needed flexibility in overseeing grant funds, to adapt to grant implementation needs. This has been accomplished without sacrificing BWSR administrative oversight. These changes will result in a reduction in the number of amendments needed.

In most cases, the thresholds for work plan approval and amendments by Board Conservationists have been raised. Work plan expenditures will be documented according to the Financial Record Keeping section in the Manual. Additionally, the language has been revised for clarity, and new examples have been added to illustrate when amendments and work plan revisions are needed.

### Financial Record Keeping

As BWSR's Grants Monitoring, Reconciliation and Verification Policy (GMRVP), instituted in 2011, has gained traction, it became apparent that our LGU partners could benefit from some written guidance that would help them not only to prepare for a grant verification visit, but also to maintain their financial records in a form required by the grant agreement. That guidance is now live on the BWSR website, supplementing and in some cases adding entirely new sections to the online [Grant Administration Manual](#). The guidance includes sections on *Financial Record Keeping* and *What to Expect During a Verification Site Visit*, but it is more than that. It also includes best practice examples for how to determine a billing rate, how to track the time that a grant recipient charges to BWSR grants, and how to account for time and expenditures on program and project grants. It has information about allowable (and unallowable) costs to be charged to BWSR grants, about protecting the private data that you may be collecting from your own local partners in the course of providing them financial assistance, and answers to frequently asked questions. We will provide training on the guidance at the BWSR Academy, and regionally based grants compliance

specialists will take the guidance, and the standard that it sets, into the field. For more information, contact Tim Dykstal, BWSR's Fiscal Compliance Coordinator, at 651-296-1287, or [tim.dykstal@state.mn.us](mailto:tim.dykstal@state.mn.us).

### Revised pages within the Grants Administration Manual

#### Grant terminology

Revised definitions of Administrative Cost, Executed Date, Reconciliation, and Verification. New definitions of Advance Payment, Allowable Cost, Contractor, Direct Cost, Effective Date, Grant Agreement, and Indirect Cost.

#### Processing a grant

Reflects changes in processing method within eLINK.

#### Grant agreement amendments and work plan revision

See *Grant Agreement Amendments & Work Plan Revisions* in main article.

#### Program and project files, financial record keeping, and records management and retention

Revises and expands on the *Program and Project Files* section. Focuses on what the grant recipient needs to keep to reconcile and verify revenue and expenditures.

#### Grant monitoring, reconciliation and verification

Adds a rationale for BWSR's Grants Monitoring, Reconciliation and Verification Policy.

#### Allowable and unallowable costs

Formerly titled *Eligible and Ineligible Costs*, this revises and expands on the *Allowable Costs* section. Breaks allowable costs down into four categories—Staff Time, Contractors, Direct Costs, and Administrative Costs—and gives examples. Slightly expands the list of unallowable costs.

#### Financial management and accounting

Deletes some redundant material about documenting costs that is now covered elsewhere.

#### Private and nonpublic data

A new section with advice about data practices.

#### Frequently asked questions

Retitles *Grant Q & A*.

#### Clean Water Fund: Indirect costs

Adds reference to MMB guidance on paying for administrative costs with Legacy funds. Gives best-practice guidance about developing one billing rate per LGU and all BWSR grants.



## Targeted Watershed Demonstration Program

In 2013, the Minnesota Legislature passed a law requiring the BWSR to:

*...award grants to local government units organized for the management of water in a watershed or subwatershed that have multiyear plans that will result in a significant reduction in water pollution in a selected subwatershed. Priority in making grants must be given to the three to six best designed plans each year.*

In response to this legislation, BWSR is in the process of creating the Targeted Watershed Demonstration Program. The purpose of this program will be to focus on demonstrating water quality improvements. Eligible watersheds will be those where the amount of change to achieve a water quality improvement is known, the types of actions required to achieve those results have been identified, and a significant amount of those actions can be implemented within a four-year timeframe.

Priority will be given to watersheds where there are current water quality impairments or priority water resources near the tipping point of becoming impaired. Proposed watersheds should have the threat to the water resource clearly identified, a thorough understanding of the pollution sources and pathways within the watershed, and baseline water quality data against which change can be assessed. Preference will be given to watersheds that are 10 or 12-digit HUCs.

The solicitation period is tentatively scheduled to take place between Oct. 28, 2013 and Dec. 13, 2013, pending Board approval. More details will be posted on BWSR's website soon.

## FY2014 Clean Water Fund competitive grant applications now in review

More than \$51 million were requested as part of the recent Clean Water Fund competitive grant application period that closed October 4.



The applications are currently being reviewed for eligibility before going to an interagency scoring team. The scoring team will include staff from Minnesota's Pollution Control Agency (PCA), Department of Natural Resources (DNR), Department of Agriculture (MDA), Department of Health (MDH) and the Board of Water and Soil Resources (BWSR).

FY2014 Clean Water Fund Allocations	Total \$ Amount Available	# Apps Submitted	Total Requested
Shared Services	\$2M	9	\$2,416,372
Accelerated Implementation Grant	\$2.15M	46	\$4,549,181
Well Sealing	\$250K	10	\$363,600
Projects and Practices	\$8.545M	163	\$42,298,783
Community Partners	\$1.4M	16	\$1,510,151
<b>Totals:</b>	<b>\$14.345M</b>	<b>244</b>	<b>\$51,138,047</b>

### Next steps in the process:

- **January 22, 2014:** BWSR Board authorizes grant awards (proposed)
- **February 2014:** BWSR grant agreements sent to recipients
- **March 17, 2014:** Work plan submittal deadline
- **April 1, 2014:** Grant execution deadline

## Cooperative Weed Management Area Grant Program

The Cooperative Weed Management Area (CWMA) grant program is intended to develop and sustain partnerships between federal, state, and local government agencies, tribes, individual landowners, and other interested parties in managing terrestrial noxious weeds and invasive species across geographic boundaries. The program is designed to facilitate the removal of invasive plant species through an integrated pest management approach, and the restoration/reconstruction of native plant communities through an ecosystem approach.

BWSR will hold a competitive grant application period for the CWMA grant program between Oct. 28, 2013 and Dec. 13, 2013, pending Board approval.

Watch for the forthcoming RFP and Frequently Asked Questions (FAQ) documents on the CWMA page of [BWSR's website](#).

## Soil Erosion and Drainage Law Compliance

The 2013 Minnesota Legislature appropriated Clean Water Funds to BWSR to be used for grants to local units of government to ensure compliance with Minnesota Statutes Chapter 103E (Drainage Law) and Sections 103F.401 to 103F.455 (state Soil Erosion Control provisions), including enforcement efforts.

In response to this appropriation, BWSR created the Soil Erosion and Drainage Law Compliance Program. The purpose of this program is to restore and protect surface water quality, particularly impaired waters, by supplementing local efforts to apply existing soil erosion reduction and drainage statutes across Minnesota.

There are three sub-programs, each requiring a separate application:

- Soil Erosion
- Drainage Ditch Inventory and Inspection
- Redetermination of Benefits and Drainage Ditch Buffer Strips

Applicants are encouraged to apply for all three subprograms. A non-state match of 25-50 percent is required, depending on the subprogram. Eligible applicants include Chapter 103E County and Watershed District Drainage Authorities, Counties, and Soil and

Water Conservation Districts working in partnership with one or more eligible Counties or Watershed Districts.

The application period is planned for Oct. 28, 2013-Dec. 13, 2013, pending Board approval.

## FY2016-17 Biennial Budget Request

While the FY2014-15 biennium has just begun, it is also time to start planning for the FY2016-17 biennium. That is where the Biennial Budget Request (BBR) comes into play.

The first ever BBR was conducted in May-June 2012 and generated a tremendous reception from local governments throughout Minnesota. The data provided by local governments has been summarized and is available on the [BWSR website](#). The data also provided essential information on local government water management activities that made a difference during development and enactment of the FY2014-15 appropriations.

**The FY2016-17 BBR will serve the following purposes:**

1. Replaces the Allocation and Contribution Statement for the Natural Resources Block Grant
2. Replaces the SWCD annual plan requirement
3. Provides budget data to inform the Clean Water Council, the Governor's Budget development and Legislative deliberations
4. Serves as a local project planning tool
5. Will be incorporated into the FY2016 application process

The submittal period for the FY2016-17 BBR is planned for **Feb. 1, 2014** through **Mar. 31, 2014**. Start planning now and watch for additional details in the coming months.

## eLINK

Whether you are just getting started or want to learn more about the features within the eLINK system, be sure to check out the training and guidance materials on the [eLINK page](#) of BWSR's website.

Popular tools include the [Frequently Asked Questions](#) document and the [Developing Grant Applications in eLINK](#) video.



## Changes to the State Cost Share Program

Recent changes have been made to the Erosion Control and Water Management Program—commonly referred to as the State Cost Share Program—to ensure consistency between Statute, rule and policy. This effort resulted in an amended rule, BWSR Board adopted policies, and an updated program manual. The result provides program flexibility through BWSR Board adopted policy and should increase administrative consistency between this and other grant programs for both BWSR and Soil and Water Conservation Districts (SWCDs).

The amended rules, policy and updated program manual will be effective for FY2014 (FY14) Erosion Control and Water Management Program grants. An overview of changes can be found on the [Erosion Control and Water Management Program fact sheet](#).