



# 2023 Grant Manual



Updated August 2023

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

Congratulations!

On behalf of the Indiana Department of Natural Resources we would like to congratulate you on your successful application submission to the Lake Michigan Coastal Grants Program. Your project received favorable recommendation from the Coastal Advisory Board and Technical Review Committee, received approval from the Director of the Indiana Department of Natural Resources and the NOAA Office of Coastal Management. Now you are ready to get started!

This Grant Manual is designed to provide you information to implement your project that received Federal Coastal Zone Management Act (CZM) Section 306 and 306A grant assistance. As a grantee, you are responsible for reviewing this information thoroughly to ensure a successful project. You are responsible for abiding by and fulfilling all the requirements in your Grant Agreement. Additionally, all grantees are required to abide by all state and federal accounting standards and the instructions contained in this Grant Administration Manual.

We are here to support you throughout the life of your grant, your success is our success. Please reach out to us anytime you have a question or need assistance.

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The Lake Michigan Coastal Program (LMCP) supports 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 Grant Agreement

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The LMCP Grant Agreement is a legally binding contract that specifies the obligations of the Grantee, as well as the LMCP. Most 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. The term of the Agreement is important to understand as that indicates the start date and end of the work and when funds can be expended.

The following are components specific to your project:

**Exhibit A:** The timeline of your project and work products.

**Exhibit B:** Your budget, as it appears in your submitted Full Proposal. 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.

## Project Progress

Project work may not begin before the Grant Agreement has all the appropriate signatures in order to receive reimbursement or count as match, and permission to begin work has been communicated to the Grantee by the LMCP. Failure to complete a grant Project within the timeframe indicated in the Grant Agreement, unless an extension has been granted, may result in cancellation of the project.

## 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. 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.*

## Changes to the Grant Agreement

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### **Project Extensions**

There are circumstances in which you would need additional time to complete your project. If that is the case, please contact us. To request a no-cost extension to your Grant Agreement term, please submit an extension request in writing. However, changes to your budget or project tasks requires consultation with the LMCP and additional requirements.

Please submit your requests no later than 60 days before the expiration of the grant. This allows us to complete the contract amendment process before your Grant Agreement expires.

The extension request should include an update to the project timeline (Exhibit A in the Grant Agreement) and a justification for the extension request.

An amendment to the original Grant Agreement will be processed upon the approval of the extension request by LMCP. After approval, you 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 you. The DNR reserves the right to deny any request for extension.

### **Project Changes**

Changes to a Project that vary from the original Grant Agreement require review and approval from the Lake Michigan Coastal Program. Submit change requests in writing, at least 60 days before approval is needed. The LMCP reserves the right to approve or deny project changes and share with NOAA OCM for review.

### **Budget Changes**

Should you need to modify the budget amount designated for each line item, as described in the Grant Agreement, Exhibit B, consult with LMCP Staff. Any changes to a Project budget must be approved by LMCP. Significant changes may require NOAA OCM review.

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.

## **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.

“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.”

**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.

## Quarterly Progress Reports

Quarterly Progress Reports need to be submitted in a timely manner and contain accurate, up-to-date information about the progress of your project. Quarterly Progress Reports need to 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 activity.

Quarterly Progress (and Financial Reports) are due quarterly, 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

Submit Quarterly Progress Reports to LMCP Staff via email and/or in the OneDrive folder you used to submit your proposal documents.

Quarterly Progress Reports should provide a status update on all Tasks included in the Exhibit A Timeline in your Grant Agreement. Additionally, you will be prompted to report on the performance measures that are relevant to your project. Please see the “Performance Measures” section for more information.

<b>INFORMATION TO PROVIDE ON YOUR QUARTERLY PROGRESS REPORT</b>
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

### **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.

# Quarterly Financial Reports


In addition to Quarterly Progress Reports, you are required to submit a Quarterly Financial Report every quarter, regardless of activity. If there has been no activity during the quarter, submit a Quarterly Financial Report form with the “Current Invoice” column at \$0.00. Quarterly Financial Reports need to be submitted with accompanying supportive documentation. The Financial Reporting form will be provided to you by the Operations Specialist as each Quarterly Financial Report’s respective deadline approaches. These documents will have the “Authorized Budget” and “Previously Invoiced” columns completed for you, leaving only the “Current Invoice” column that will require your input. Please be sure to use the document sent to you by the Operations Specialist to complete your report.

Please consult the LMCP for clarification on the accounting practices used by your organization so we can best understand the appropriate documentation and proof of payment.

## Quarterly Financial Report Assembly

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

- All expenses for which you wish to be reimbursed (LMCP) or expenses you wish to count as match must be documented.
- Proof that an expense has been incurred, as well as proof that an expense has been paid, must be provided.
- To be eligible for reimbursement, you must have at least an equal amount of match documented.
- If changes need to be made to your Financial Report, an updated report with a current date may need to be resubmitted.
- Lastly, we will work with you on tracking funds that are outside of the minimum match requirement.

 <b>INDIANA LAKE MICHIGAN COASTAL GRANT PROGRAM</b> <b>QUARTERLY FINANCIAL REPORT</b> <small>State Form 55105 (R2 / 12-15)</small> INDIANA LAKE MICHIGAN COASTAL PROGRAM										
Project Number: CZ XXX				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
<b>Total</b>	<b>\$25,000.00</b>	<b>\$25,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$25,000.00</b>	<b>\$25,000.00</b>
Other Cost Explained:										
Other Match Explained:										
Signature of Project Administrator:				Date Signed (month, day, year):						





**Fringe**

The benefits of paid employees would fall into this category. This documentation is required whether the expense is counted toward LMCP funds or Match.

**Travel**

For all expenses being claimed under Travel on the Quarterly Financial Report the following documentation is required whether the expense is counted toward LMCP funds or Match.

- Invoice/Receipt
- Proof of Payment
- Credit Card Statement
- Copy of Check

For mileage claims, a log of miles traveled will be required. The current State of Indiana mileage reimbursement rate is 49 cents per mile.

**Supplies**

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/Professional Services**

This documentation is required whether the expense is counted toward LMCP funds or Match.

- Invoice
- Proof of payment
- Cash receipt
- Copy of check

**Indirect**

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. If your organization has a Federally Negotiated Indirect Rate, the agreement will need to be submitted to the LMCP, if not already done so in the application process.

## Performance Measures

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Over the course of your project, you will produce a variety of individual performance measures and or numbered/values that are associated with your project's deliverables. This could be measured in the number of people that attended a meeting for your project; the number of educational and/or public outreach materials you distributed in a given quarter; or even the number of social media posts your project was featured in.

Please plan to include these measures in your Quarterly Progress and/or Quarterly Financial reports, depending on where it makes the most sense to provide that information.

## Final Report

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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 – including the appropriate hold associated with your Project (grant years 2020 and 2021 are at 15% holding, while grant years 2022 and 2023 will be at 10% holding) – 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.

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

One electronic copy in PDF or Word document of a complete Final Project Report

- Executive Summary
- Public Outreach Plan
- Work Products/Deliverables
- Photos
- Data Sharing Plan
- Low-Cost Construction Final Reports:
  - Before and after project area photos
  - Detailed description of the work completed
  - Engineering/design plans used for project
  - 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.
- Land Acquisition Final Reports:
  - Photos of property
  - Copy of conservation easement
  - Copies of closing documents

# Contracting and Purchasing

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## **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 *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 one or more 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.

### **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 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 based on age, sex, race, color, genetic information, or disability.

### **Contracts/Professional Services**

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 based on age, sex, race, color, genetic information, or disability.

Federal regulations require a competitive procurement process in the selection of professional services that relate to a federally funded project. 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:

- Placing unreasonable requirements on firms in order for them to qualify to do business.
- Requiring unnecessary experience and excessive bonding.
- Noncompetitive pricing practices between firms or affiliated companies.
- Noncompetitive contracts to consultants that are on retainer contracts.
- Organizational conflicts of interest
- 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
- 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). Submit bid documents to the LMCP for review 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.

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 how 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) need to 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.*

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 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 based on 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](http://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 at least 3 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.

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.

Provide a copy of the bid documents with your Quarterly Report.



## **LOW-COST CONSTRUCTION PROJECTS**

Any Project that makes a physical change to a property, disturbs the soil, uses machinery or handtools, 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.

### **Habitat Restoration Projects**

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

Review the Grant Agreement for special requirements pertaining to your project type. Such as Indiana Bat requirements of 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 LMCP will need to review the plant list or seed mix before implementation.

Additionally, please forward all any plans, specifications, or other predevelopment information 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. Consider requesting a post project maintenance plan from your contractor.

## **Accounting and Reimbursement**

You will make the initial outlays of project funding and will submit Quarterly Financial Reports with their Progress Reports for reimbursement. You will need to maintain records of all expenses incurred and funds received for a period of three years.

The DNR will retain the appropriate hold associated with your Project – grant years 2019, 2020, and 2021 are at 15% holding, while grant year 2022 will be at 10% holding – until LMCP has reviewed the final products and has found them to follow 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 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.

## **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 as a condition of violation or enforcement action

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.

## LAND ACQUISITION PROJECTS

**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:

**Expeditious acquisition:** The Grantee shall make every reasonable effort to acquire the real property expeditiously by negotiation.

**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. (see also Sec 24.203)

**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.

**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, considering 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.

**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 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.

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.

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.

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.

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.

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.

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 an independent appraisal 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):

Secure independent property appraisal by state approved appraiser.

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.

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.

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 Office of Coastal Management must also approve a request to pay more than the appraised value.

Land Acquisition projects should have had an appraisal 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.

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.

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.

## **ACCOUNTING AND AUDITS**

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 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

#### **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.

