



## **Financial Assistance Disbursement Guidelines State Funding**

**August 2018**

## **General**

The policies in these *Disbursement Guidelines (Guidelines)* apply to Brownfields State-funded projects administered by the Indiana Finance Authority (Authority) through the Indiana Brownfields Program (Program). State funding includes Low-Interest Loans (LIL), Phase I Environmental Site Assessments (Phase I ESAs), and the Petroleum Orphan Site Initiative (POSI). The Program also awards financial assistance for Supplemental Environmental Projects (SEPs) on a brownfield that are funded with settlement proceeds from environmental enforcement cases.

The following general items apply to all disbursements subject to these *Guidelines*:

- All funding recipients are required to execute a Financial Assistance Agreement (Agreement) with the Authority.
- Funds are not retroactive. However, certain costs for low-interest loans that are incurred by recipients prior to a loan closing are eligible with Program approval. Examples include closing costs (i.e., legal and/or financial advisor fees), Health & Safety Plan and Remediation Work Plan preparation costs.
- All activities to be funded must receive Program approval prior to implementation.
- Requests for payment should not be submitted until the applicable funding conditions, if any, have been satisfied.
- Payment will be made only to reimburse expenses related to activities approved by the Program and included in the Agreement. **Invoices and back up documentation are required.**
- Recipients must follow Indiana Code (IC) 5-16-11.1 and IC 36-1-12, as applicable, when procuring services to be reimbursed with or paid for using State funds. Additional information about this requirement can be found in the *Guidance on Competitive Bidding*. By signing each Disbursement Request Form (described below), a recipient will be affirming that the invoiced services submitted for reimbursement were bid pursuant to Indiana law.
- All invoices must be submitted to the Program for processing no later than three (3) months after the issuance of a Comment Letter, a Site Status Letter, a No Further Action Letter, or other activity completion documentation issued by the Program. Any invoices submitted for payment after that date will not be accepted.

## **Eligible Costs**

State or SEP funding may be approved for site assessment and/or remediation (and related) activities. Eligible costs depend on the financial incentive under which the state funding has been awarded. The following costs are eligible under the particular financial incentive indicated:

### **Petroleum Orphan Site Initiative:**

- Phase II environmental site assessment
- Underground storage tank (UST) removal
- Removal of piping associated with USTs
- Removal of drums, barrels, tanks or other bulk containers that contain or may contain petroleum, pollutants or contaminants
- Removal of source materials, including free product recovery
- Preparation of a Remediation Work Plan
- Excavation, consolidation, or removal of contaminated soils
- Installing, monitoring and maintaining soil, ground water and/or vapor remediation systems

#### Phase I Environmental Site Assessments:

- An ASTM E1527-13-compliant Phase I environmental site assessment and report

#### Low-interest Loan and Supplemental Environmental Projects:

- Property acquisition (LIL only)
- Inventory/survey of brownfield sites (SEP only)
- Phase I and Phase II environmental site assessment
- Preparation of a Remediation Work Plan
- Removal of drums, barrels, tanks, or other bulk containers that contain or may contain hazardous substances, pollutants, or contaminants, including petroleum.
- Soil and ground water remediation activities
- Installation of fences, warning signs, or other security or site control precautions
- Installation of drainage controls
- Stabilization of berms, dikes, or impoundments; or drainage or closing of lagoons
- Demolition and disposal of structures (for LIL, only if performed in conjunction with Program-approved remediation activities)
- Asbestos and/or lead-based paint survey and/or abatement (for LIL, only if performed in conjunction with Program-approved remediation activities)
- Costs associated with fees of legal and/or financial advisors related to closing an LIL Loan.
- Voluntary Remediation Program ("VRP") administrative expenses (i.e., VRP application fee, oversight fees, etc.) (LIL only)

#### Other:

The Program, in its discretion and upon Authority Board approval, may award project-specific financial assistance outside of an established financial incentive. Eligible costs may include any of the above-listed costs.

Other important items related to eligible expenses include:

- Maximum "mark up" on all subcontractor work, rental equipment, materials, etc. is 10%.
- Travel and lodging costs will be paid in accordance with state policy and rates. The current policy and applicable rates can be found online at the following link:  
<https://www.in.gov/idoa/2459.htm>
- Some costs that are incurred prior to a low-interest loan closing may be eligible for payment/reimbursement if approved by the Program. Examples include closing costs (i.e., legal and/or financial advisor fees) and Remediation Work Plan preparation costs.
- Unless otherwise specified, funds will only reimburse costs to generate and transmit environmental reports to the Brownfields Program, IDEM, and the property owner (one hard copy and one electronic copy each).
- Reports should be printed in black and white only.
- A maximum of 5% of a funding award may be used to reimburse professional service fees not accounted for in the scope of work. These may include (but are not limited to) the following: planning/site meetings and coordination with Brownfields Program staff. These tasks must be related to the site/project that is the subject of the funding award and cannot be used for general marketing or community outreach activities. Any site-specific, pre-bid submittal professional services costs for which reimbursement is sought should be categorized as such and included in the consultant's bid. Detailed accounting of these costs will be required prior to payment.

### **Ineligible Costs**

The following costs are ineligible for payment/reimbursement unless **approved in writing by the Brownfields Program before they are incurred**:

- Costs incurred prior to final execution of a Professional Services Contract, a site-specific Project Amendment, or financial assistance agreement; approval of scope of work; or before receipt of notice to proceed from the Program.
- Expenses outside or in excess of the approved scope of work.
- Costs incurred as a result of unapproved changes to the approved scope of work.
- Per diem and/or meal allowance or reimbursement.
- Certain site restoration costs, including new concrete or asphalt, reseeding of grassy areas, etc.
- Overnight, courier, or other express delivery of reports or correspondence to the Program unless the Program requests expedited delivery. Regular mail delivery is sufficient.
- Report generation and transmittal to a recipient other than the Program, IDEM or the property owner.
- Reports printed in color. Only black and white copies will be accepted.
- Costs incurred while performing field work for which Brownfields Program project managers have not been provided adequate notice (at least 2 weeks prior to planned field activities or phone call within 12 hours of discovery of emergency condition).
- Ordinary operating expenses of the recipient.
- Ordinary site maintenance.
- Construction, demolition, and development activities that are not cleanup actions (e.g., marketing of property or construction of a new non-cleanup facility).
- Cleanup costs of a naturally occurring substance below background levels; products that are part of the structure and result in exposure *within* residential, business or community structures (e.g., interior lead-based paint or asbestos contamination which results in indoor exposure); or, public or private drinking water supplies that have deteriorated through ordinary use, except as determined on a site-by-site basis and approved by the Program
- Monitoring and data collection necessary to apply for, or comply with, environmental permits under other federal and State laws, unless such a permit is required as a component of the cleanup action
- Support of job training
- Lobbying efforts
- Direct administrative costs

Payments will be made in arrears following invoice submittal and approval. All reimbursements will be made for items/charges at the unit rates included in the approved scope of work. A Program representative must provide advance approval of any changes to an approved scope of work/work plan, including changes that result in modifications to the approved budget (see Disbursement Request Form for more information). If an activity is performed under budget or below the approved amount, the difference may not be used for other activities or in other categories unless approved in advance.

### **Process**

Requests for payment must be submitted using the Cost Analysis Spreadsheet/ Sample Form attached to these *Guidelines* as pages 7 and 8. An electronic version is available at <http://www.brownfields.in.gov>. The Cost Analysis Spreadsheet/Sample Form must be accompanied by all required supporting documentation and a completed Disbursement Request

Form. **The Brownfields Program reserves the right to request additional information about any payment request.**

#### Invoice Information, Required Supporting Documentation

- Invoices should contain a detailed explanation of the work performed. They should identify the nature of the service(s) and/or material(s) provided, the amount charged for the service(s) and/or material(s), the identity of the provider(s), and the date(s) on which the service(s) and/or material(s) were provided.
- Required supporting documentation includes the following: copies of timesheets for each staff person working on the project during the invoice period or a system-generated report that identifies each staff person's name, the amount of and date on which time was charged to the project, the activity conducted, and the hourly rate; copies of receipts for any materials or items purchased (monitoring well locks, ice for samples, etc.); subcontractor invoices; hotel receipts; copies of equipment and mileage logs; etc.
- Copy(ies) of written approval(s) for any changes to approved scopes of work/Remediation Work Plan should be included with invoices for payment.
- An executed Disbursement Request Form (an electronic version is available at <http://www.brownfields.in.gov>) should also be included with each payment request.

#### Payment Processing

- If the project is SEP or LIL-funded, the consultant should first submit all paperwork to the funding recipient for approval. The recipient should review the invoice package for accuracy and eligibility before signing the Disbursement Request Form and sending to the Program for payment. If the project is POSI or Phase I ESA-funded, the consultant will submit the invoice package directly to the Program.
- All requests for payment sent to the Program for processing must be accompanied by an executed Disbursement Request Form found on page 9 of these *Guidelines* (an electronic version is available at <http://www.brownfields.in.gov>).
- The Program will review the payment package and follow up on any discrepancies, missing documentation, etc. The Program must have a complete package prior to issuing payment.
- Payment will be triggered by the satisfactory completion of the activities outlined in the payment request. Payment for report generation and submittal will follow the Program's review and approval of the report. The final payment for a project will be transmitted after the issuance of a Project Status Letter, Site Status Letter, No Further Action Letter, or some other completion documentation issued by the Program, if applicable to the type of financial assistance awarded.
- After invoice review and approval, an electronic payment to the funding recipient, the consultant, or the contractor (as directed on the Disbursement Request Form) will be processed by the Program. In order for you to receive payment, please confirm that the electronic payment information included on the Disbursement Request Form is current and correct.

**Forms**

The following is a list of applicable forms for State-funded projects:

- Cost Analysis Spreadsheet/ Sample Form (pages 7-8; electronic copy at <http://www.brownfields.in.gov>)
- Disbursement Request Form (page 9; electronic copy at <http://www.brownfields.in.gov>)

	Quantity	Unit	Unit Rate	Approved SUBTOTAL	Approved Category TOTAL	Invoice #1 (Date)	Invoice #2 (Date)	Invoice #3 (Date)	Invoice #4 (Date)	Invoice #5 (Date)	Invoice #6 (Date)	Invoice #7 (Date)	Invoice #8 (Date)	Invoice #9 (Date)	Amount Remaining
I. Category - Phase I Site Assessment					\$ -										\$ -
II. Category - Phase II Site Assessment (Field Phase)					\$ -										\$ -
A. Staff Hours (list hours for each staff separately for this Category)		hr	\$ -	\$ -											\$ -
			\$ -												
			\$ -												
			\$ -												
			\$ -												
B. Materials and Equipment (list each separately for this Category)			\$ -	\$ -											\$ -
			\$ -												
			\$ -												
			\$ -												
			\$ -												
			\$ -												
			\$ -												
C. Travel (reimbursed at state rates)			\$ -	\$ -											\$ -
Mileage		mi	\$ 0.38												
Hotel		night	\$ -												
D. Subcontractors (list all subcontractors separately for this Category)			\$ -	\$ -											\$ -
			\$ -												
			\$ -												
			\$ -												
			\$ -												
			\$ -												
III. Category - Remediation, UST/AST/Hydraulic Lift Removal (Field Phase)					\$ -										\$ -
A. Staff Hours (list hours for each staff separately for this Category)		hr	\$ -	\$ -											\$ -
			\$ -												
			\$ -												
			\$ -												
			\$ -												
			\$ -												
B. Materials and Equipment (list each separately for this Category)			\$ -	\$ -											\$ -
			\$ -												
			\$ -												
			\$ -												
			\$ -												
			\$ -												
			\$ -												
			\$ -												
C. Travel (reimbursed at state rates)			\$ -	\$ -											\$ -
Mileage		mi	\$ 0.38												
Hotel		night	\$ -												
D. Subcontractors (list all subcontractors separately for this Category)			\$ -	\$ -											\$ -
			\$ -												
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	Quantity	Unit	Unit Rate	Approved SUBTOTAL	Approved Category TOTAL	Invoice #1 (Date)	Invoice #2 (Date)	Invoice #3 (Date)	Invoice #4 (Date)	Invoice #5 (Date)	Invoice #6 (Date)	Invoice #7 (Date)	Invoice #8 (Date)	Invoice #9 (Date)	Amount Remaining
<b>IV. Category - Monitoring Well Instal/Quarterly Monitoring (Field Phase)</b>					\$ -										
A. Staff Hours (list hours for each staff separately for this Category)		hr	\$ -	\$ -											\$ -
			\$ -												
			\$ -												
			\$ -												
B. Materials and Equipment (list each separately for this Category)			\$ -	\$ -											\$ -
			\$ -												
			\$ -												
			\$ -												
			\$ -												
			\$ -												
			\$ -												
C. Travel (reimbursed at state rates)				\$ -											\$ -
Mileage		mi	\$ 0.38												
Hotel		night	\$ -												
D. Subcontractors (list all subcontractors separately for this Category)			\$ -	\$ -											\$ -
			\$ -												
			\$ -												
<b>V. Category - Other</b>					\$ -										
A. Asbestos and Lead Paint Surveys				\$ -											\$ -
B. Property Acquisition				\$ -											\$ -
C. Demolition				\$ -											\$ -
D. Bond Counsel				\$ -											\$ -
E. Professional Services (Maximum 5% of loan amount)				\$ -											\$ -
<b>VI. Category - Reporting</b>					\$ -										
A. Health and Safety Plan				\$ -											\$ -
B. Sampling and Analysis Plan				\$ -											\$ -
C. QAPP				\$ -											\$ -
D. Phase II Report				\$ -											\$ -
E. Remediation Work Plan/Corrective Action Plan				\$ -											\$ -
F. UST Closure Report				\$ -											\$ -
G. Remediation Completion Report				\$ -											\$ -
H. Groundwater Monitoring Report (Final and Quarterly)				\$ -											\$ -
<b>TOTAL</b>					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Change Order #1					\$ -										\$ -
Change Order #2					\$ -										\$ -
Change Order #3					\$ -										\$ -
Change Order #4					\$ -										\$ -
Change Order #5					\$ -										\$ -
<b>Revised TOTAL</b>					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>ADDITIONAL INFORMATION</b>															
1. Category V items are lump sum estimates															
2. A, B, C, D, E, F, G and H in Category VI are maximum, not-to-exceed estimates. All reporting costs should be included in the report estimate, including staff time to prepare the report, mailing expenses, copying costs, etc.															
3. Payment for the reports listed in Category VI will be issued after the report has been reviewed and approved by the Brownfields Program. Payment for the Final Report will be made after the Brownfields Program has issued some form of completion documentation regarding the work completed.															
4. Requests for payment must be submitted on this form and be accompanied by the Disbursement Request Form and all appropriate supporting documentation.															
5. Following Program approval of the scope of work/budget, Program pre-approval is required for cost shifts between categories.															



## INDIANA BROWNFIELDS PROGRAM - DISBURSEMENT REQUEST FORM

**Instructions:** This Disbursement Request Form is to be typed and completed by the Financial Assistance Agreement Recipient for each payment request.

- The Disbursement Request Form is to be used for all eligible costs associated with the Financial Assistance Agreement Recipient's brownfields redevelopment project.
- Attach a copy of the claim (a bill, invoice or a statement) supporting this Request.
- Requested amounts must be rounded to the nearest whole dollar.
- Attach the Program change order approval if any part of the current claim is a result of a change order.

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1a. Brownfield Program Site#: _____	1.b. Funding Type: _____
2. Project Name: _____	
3. Financial Assistance Recipient: _____	
4. Contact Person: _____	
5. Phone#: ( ) _____	
6. Email: _____	
7. Recipient's Authorized Representative: _____	
8. Authorized Representative's Phone#: ( ) _____	

9. Consultant:	_____
10. Contact Person:	_____
11. Phone#: ( )	_____
12. Email:	_____

13. Invoice#: \_\_\_\_\_

14. Description of work for which claim is being made (service, fees, type of, etc.): \_\_\_\_\_

\_\_\_\_\_

15. Amount of this Request:	\$	_____
16. Original Financial Assistance Amount:	\$	_____
17. Total Amount of Approved Change Orders:	\$	_____
18. Revised Project Budget:	\$	_____
19. Total Amount of Previous Disbursements:	\$	_____
20. Balance Available after this Disbursement:	\$	_____

21. Is any part of this claim a result of a change order?      YES \_\_\_\_\_      NO \_\_\_\_\_

\*If yes, please attach the Program change order approval

22. Do you want payment mailed directly to the consultant?      YES \_\_\_\_\_      NO \_\_\_\_\_

\*If yes, payment will be sent directly to the consultant listed in #9 above

23. Payment/Wiring Instructions (for the entity receiving payment)

23a. Bank Name:	_____
23b. Bank Contact, Phone#:	_____
23c. Account Number:	_____
23d. Routing Number:	_____

The undersigned hereby certifies that this Request is true and correct, that the claim underlying this Request is due in accordance with the Recipient's Financial Assistance Agreement with the Authority, and that the services contained in such claim were procured in accordance with Indiana's public bidding laws and federal cross-cutting requirements (e.g., Davis-Bacon), if applicable.

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**AUTHORIZED REPRESENTATIVE SIGNATURE**

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**Date**