

Part IV: Contract Implementation

Notes

A. APPLICATION

A.1 Applicants: land occupier, landowner, and group projects

The conservation district must fill out the general information, applicant, conservation practice location, contract location, applicant information, and conservation practice(s) sections of the State Cost-Share Assistance Contract. The form, a completed example, and instructions for completing the form can be found in Appendix A (Page 37).

In order to gather the information needed to complete the contract, the conservation district technical representative will need to visit the site where the erosion or water quality problem is occurring. Prior to conducting the site visit the land occupier (and the landowner if different) must initial the line next to item one of the Applicant Signatures section at the top of page two of the contract. This acknowledges that representatives of the conservation district are granted permission to access the land where the problem is located. The conservation district technical representative will perform a technical assessment and prepare a cost estimate as instructed in the Technical Information section of this manual.

If the land occupier agrees to the terms of the contract, he or she must sign at the bottom of the contract. If the land occupier is not the landowner, the land occupier is responsible for obtaining the landowner's signature on the contract. Where the cooperation of several land occupiers is required to solve an erosion or water quality problem, all parties involved must sign the Group Project Addendum form. The group spokesperson must sign the application on behalf of the group and negotiate all project details with the conservation district. Payment for the conservation district's share of the practice will be issued to the group spokesperson. The group spokesperson is responsible for executing the division of payment according to the plan prepared by the group and must inform all of the members of the practice maintenance requirements.

A.2 Eligibility review

Conservation practices must meet four criteria:

1. Their primary purpose must be the control or prevent soil erosion, sedimentation or chemical or nutrient runoff or infiltration.
2. All practices must be designed and maintained for a minimum effective life of ten years from the date the conservation district board approved final payment.
3. Cost-share funds cannot be furnished for practices designed only to increase land productivity.
4. All practices must be consistent with the conservation district's comprehensive plan and or the county's comprehensive local water management plan.

When reviewing applications for eligibility prior to approving cost-share assistance, the conservation district board must comply with the four criteria on the preceding page, along with the following additional requirements:

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- The technical assessment and cost-estimate determinations must be completed prior to the conservation district board approving the application for cost-sharing assistance.
- The conservation practice needed to solve the erosion or water quality problem must:
 - be on the state board approved Conservation Practices and Eligible Component list found in the Technical Information part of this manual; or
 - have received state board approval defined as other recognized technical practice.
- The primary purpose of the requested practice must be to treat a high priority erosion problem or a high priority water quality problem as defined in the glossary for this manual. (The only exception is if the conservation district uses funds appropriated for technical and administrative services or low priority problems.)
- The application must be signed by the land occupier and the landowner (if different from the land occupier) indicating their agreement to:
 - grant the conservation districts representative(s) access to the parcel where the conservation practice will be located;
 - obtain all required permits necessary for the installation and establishment of the practice *prior* to starting construction of the practice;
 - be responsible for operation and maintenance of the practice according to the operation and maintenance plan prepared by the conservation district technical representative. (Refer to the Contract Maintenance part of the NRCS-FOTG.)
 - Not accept cost-share funds, from state and federal sources combined, that are in excess of 75 percent of the total cost to establish the conservation practice.
- Other state or federal funds from any source, when combined with State Cost-Share Program funds, must follow the State Cost-Share Programs Administrative Rule and these Administrative Guidelines for the State Cost-Share Program. They may also be subject to other administrative guidelines as deemed appropriate by the state board.
- Under no circumstances should the cost-share received from the State Cost-Share Program, when combined with other state and/or federal funds for a conservation practice, exceed 75 percent of the total eligible costs for that practice.
- The base per acre rental under CRP, CCRP, and WRP will not count or be used when calculating the not-to-exceed 75 percent cost-share provision of the cost-share rule. All other federal payment including, but not limited to, SIP, PIP, and cost-share will count toward the federal share.

Note: The intent of matching or combining state cost-share funds with other state or federal funds is to provide sufficient cost-share incentives to convince the land occupier to treat a problem when individual contributions from either state or

federal programs do not provide adequate assistance. Consider combining funds only when the practice is expensive or a high priority problem with significant impacts and additional funds are needed to get the practice installed.

■ Other considerations for the conservation district board when reviewing the applications:

-The approved cost-share amount must never exceed the available cost-share funds unless conservation district or county (non-state) funds, or interest earned on these funds, are used.

-Priority consideration will be given to land occupiers who demonstrate the ability to meet matching requirements; i.e., their share of the practice costs.

-Practices where construction has begun prior to the conservation district board approval are not eligible for state cost-share assistance.

-Costs to repair damage to conservation practices installed with state cost-share dollars are eligible if the damage was caused by reasons beyond the control of the land occupier. **In no case shall a conservation district board provide cost-share assistance to reapply a practice that was removed by the land occupier during the effective life or that failed due to improper maintenance.**

-Costs to repair damage to a conservation practice installed with other public funded cost-share dollars are not eligible for state cost-share funds.

-Costs to reconstruct a conservation practice that was installed and has met or exceeded its designed effective life are eligible for state cost-share assistance.

-Feedlot expansions are not eligible for state cost-share funds.

-Components of feedlot relocations are eligible for state cost-share funds.

See (Part V–Technical Information) for BWSR policy.

A.3 Maximum cost-share rate

The state board has set the maximum cost-share rate at 75 percent of the total eligible costs of a practice. Conservation district boards are also required to establish cost-share maximums for approved practices, not to exceed 75 percent. When determining maximum cost-share percentages the conservation district board may consider:

Location: The extent of high priority erosion or water quality problems outlined in the conservation district’s comprehensive plan or county’s comprehensive local water management plan. Higher cost-share percentages may be targeted to high priority areas identified in these plans.

Case-by-case: Determining the cost-share percentage for each applicant allows the conservation district to take into account relevant circumstances, such as the applicant’s ability to secure funds through other sources.

Approved practice: Cost-share rates are determined for each of the conservation practices listed in Part V–Technical Information. The

conservation district will take into consideration the rates currently in effect under other funding sources.

It is important that the priorities established in the conservation district's comprehensive plan and the county's priorities identified in the comprehensive local water management plan are considered when assigning maximum cost-share rates, along with the advice of technical experts familiar with the conservation district.

The cost-share maximum rates set by the conservation district must be identified in the annual plan or other documents containing the policies of the conservation district.

A.4 Conservation district board approval

After completing the criteria review of the application(s) requesting cost-sharing assistance, the conservation district board must approve or deny the application. The action taken must be documented in the conservation board meeting minutes.

If **approved**, the conservation district board will instruct the chair (or acting chair) to sign the assistance contract. The approval signature cannot be delegated to a conservation district employee. Within 15 days of approving the application, the conservation district must send a notice of approval to the land occupier along with a copy of the completed contract. The letter should make the landowner aware that plans and specifications are being (or have been) developed for the practice and that the conservation district technical representative will set up a meeting to review them. This review should also include the contractor that the land occupier intends to hire to construct the practice. It should be done enough in advance of construction to allow for any plan modifications the land occupier requests.

Changes in any provisions of the contract are subject to review and approval by the conservation district board and must follow the amendment process found in this part, Item B, Cost-Share Contract.

If **denied**, the conservation district board will notify the land occupier in writing of the reason for denial of the application. This written notification must be done within 30 days after the conservation district board's action.

The land occupier may request the conservation district board to review its decision and appeal the conservation district board's decision. The appeal process is found in Part III–Grant Administration.

Sample approval and denial letters can be found on Page 43 and Page 44.

A.5 Encumbering funds

Once the contract is signed by both the land occupier and the conservation district, it is a binding agreement and the funds are considered encumbered. For information pertaining to when and how the conservation district encumbers funds, refer to Part III–Grant Administration, Distribution of Funds.

Conservation districts may wish to hold a sign-up around the time they will receive that fiscal year's grant agreement cost-share funds. Holding an official sign-up period may generate several quality projects from which the board can prioritize to select those

projects providing the most benefit in terms of reducing soil erosion, sedimentation, and improving water quality.

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B. COST-SHARE CONTRACT

B.1 Project timelines

Projects **not** completed within two years of the conservation district board approval (encumbrance date) must be canceled unless an amendment to the project has been approved by the conservation district board. An amendment approval must be done prior to the end of the contract. The purpose of a starting date is to discourage applicants from requesting assistance and then not expeditiously completing the project.

As stated in Part III–Grant Administration, any funds that are released from encumbrance because a contract cancels or a project costs less to construct than estimated may be re-encumbered until the grant agreement expires. Funds unspent or unencumbered at the end of the grant agreement must be returned to the state within 30 days.

Please read B.4, B.5, and B. 6 of the Part III–Grant Administration for more information regarding encumbering funds and returning unspent funds to the state.

Authority to adopt timely deadline dates

Conservation district boards have the authority to adopt timely starting and completion dates prior to the maximum deadlines stated. The dates established by the conservation district board could vary with different practices. For example, set dates for waterways to meet seeding deadlines. The use of completion dates that shorten the time allowed for the project to get constructed (example: one construction season) allows conservation district personnel to monitor and expedite the construction process. Timely completion of projects allows conservation district boards to re-encumber dollars associated with canceled contracts or slippage funds before the two-year grant agreement expires.

Conservation district boards are encouraged to exercise their authority to adopt a policy on timely and manageable starting and completion dates. Amendments to these established dates are at the discretion of the conservation district board as long as the amended dates are within the maximum allowed deadlines as stated above. Policy decisions should be included in the conservation district’s cost-share policy records.

B.2 Amending the contract

It may be necessary to amend the original cost-share contract because of circumstances such as, but not limited to, change in practice type, weather, and unforeseen cost or soil conditions. If changes to the original cost-share contract are needed, the conservation district technical representative must verify that amending the contract has merit and the changes must be approved by the conservation district board.

Amendments must be filed in advance of completing a project. A project is considered complete when the conservation district board approves the final payment. Partial

payments are not considered amendments. Amendments are used to:

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- grant extensions to starting or completion dates;
- increase or decrease the estimated project cost; or
- identify a different land occupier or owner.

Please refer to Page 53 for an example of the Cost-Share Assistance Contract Amendment.

B.3 Amendment criteria and considerations

- Approve amendments for additional funds only if sufficient funds are available.
- Never use amendments for the sole purpose of eliminating year-end balances.
- The amended amount of the contract **must not exceed** the originally approved cost-share percentage.
- For projects that have received funds from other cost-share programs, the conservation district must verify that the total cost-share funds allocated do not exceed 75 percent of the total eligible cost of the project construction, or the percentage originally approved by the conservation district board, whichever is less. This will require close communication with other contributors during contract implementation.
- Consider authorizing amendments only when absolutely necessary - bad weather, unforeseen cost, or soil conditions, etc.
- Amendments must never be approved for individuals that have received final payment.
- Consider approving amendments with discretion. If applicants realize that the conservation district board will always approve amendments, the technical staff may find it difficult to obtain starting and completion date commitments.

B.4 Amendment procedures

The procedure to amend a cost-share contract is as follows:

- (a) The land occupier provides information justifying the need for an amendment and completes the cost-share amendment form. If the land occupier is not the landowner, the landowner’s signature must be on the amendment form.
- (b) The conservation district technical representative reviews and certifies the technical assessment component of the amendment form.
- (c) The conservation district board reviews the amendment request at its next scheduled board meeting and approves or denies the request.
- (d) The land occupier is notified of the board’s decision within 15 days.
- (e) If approved, the date of board meeting is recorded at the top of the original cost-

share contract and the cost-share amendment form is signed and dated by the board chair.

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(f) The amendment number and action is noted in the amendment column on the original contract entry line of the Cost-Share Program Log. Refer to Part III–Grant Administration, Conservation District Records section of this manual.

(g) Where the original estimated project cost is increased or decreased, add an entry line to the Program Log documenting the increase or decrease in the encumbrance and balance columns.

B.5 Amending with funds from different fiscal years

Situations may develop when, in the view of the conservation district board, a project from a previous fiscal year requires additional funds. If cost-share funds are available, an amendment may be approved from current fiscal year funds. If funds from two fiscal years (second year of FY 01 grant and first year of FY 02 grant) are allocated to one contract, the maximum starting and completion date requirements of the original contract (first fiscal 01 year) are in force. Document the encumbrance in the program records corresponding to the original contract number.

C. ISSUING CONTRACT PAYMENTS

C.1 Receipts and invoices

Receipts and invoices document the costs to construct a practice and must be submitted with the Voucher and Practice Certification Summary Form to receive the cost-share payment. Receipts and invoices are used to calculate the amount of cost-share funds to be issued to the land occupier.

The conservation district board is authorized to adjust the costs of materials, labor, and equipment submitted for reimbursement if it believes the amounts are not an accurate representation of average costs. In-kind services and materials provided by the land occupier such as, but not limited to, earthwork, seedbed preparation, seeding, and permanent fencing materials may be credited toward the land occupier's share of total eligible cost the practice. The conservation district board will determine whether charges for in-kind services and materials are practical and reasonable. A guide to custom labor costs is available from the University of Minnesota Extension Service or Farm Service Agency. If adjustments are made to the cost submitted by the land occupier, the district's reasons for the adjustments must be documented in writing and an explanation provided to the land occupier. Any adjustments should be indicated as the "total cost approved" on part D of the Cost-Share Voucher and Practice Certification Summary Form.

Conservation district charges for technical or administrative services provided to a land occupier are not eligible costs to establish a practice. (These activities should be funded by setting aside 20 percent of the grant appropriation.) Ineligible costs include, but are not limited to, costs to conduct field investigations, design the conservation practice, monitor the establishment of the practice, and all program administration costs. Conservation district service charges, including but not limited to tree planting or mechanical weed control charges, are not considered technical or administrative services and are an eligible cost to establish a practice. In addition, the services of a consulting engineer may be an eligible cost. See Part V–Technical Information, General

Cost-Share Program policies section of this manual.

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The conservation district board may adopt a policy requiring paid receipts. The receipts or invoices should include the following information:

- the name of the vendor;
- the materials, labor, or equipment used to establish the practice; and
- the component unit costs (e.g., hours, feet, cubic yards, etc.)

When landowners purchase more than the minimum amounts of necessary components (e.g., a larger size of tile) the conservation district must determine the actual costs that apply to the components necessary to establish the practice according to the plans and specifications.

Submitting false bills to the conservation district is considered fraudulent. Many conservation districts have avoided the potential for this to occur by officially adopting (i.e., passing a motion at a conservation district board meeting) a policy to only accept paid receipts for reimbursement.

If the state becomes aware of cases where a conservation district knowingly participates in accepting fraudulent receipts or invoices to calculate cost-share claims, the state may deny future cost-share funds for the conservation district.

C.2 Voucher and Practice Certification Summary Form (See Page 54)

The receipts and invoices are submitted in conjunction with the Voucher and Practice Certification Summary Form and must be signed by the land occupier (payee). The conservation district should assist the land occupier with filling out the various sections of this form:

Section A: Payee Information

Identify the name and address of the party to receive the conservation district’s cost-share payment. This name must correspond to the name listed as “land occupier” on the contract.

Section B: Project Information

I.D. number must correspond to the number assigned to the cost-share contract.

BWSR program: Identify the appropriate grant program.

Benefit calculation: Tons of soil saved, sediment reduction, and phosphorus reduction.

Section C: Cost Information

Basis of request: Check the installation box except when a practice was previously installed and has failed, in that situation check reinstallation.

Type of request: Check partial or final.

Total Cost of Project: Please indicate total cost of project.

Receipts or Invoices: Indicate “R” for receipted and invoiced items and “I” for in-kind contributions.

Item: Indicate what type of work was performed and what materials were used.

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Quantity: Total amount purchased.

Unit: Unit of measure.

Unit price: Cost per unit.

Cost: Quantity times unit price.

Total: Add all of the costs of the items listed and indicate the total in the box.

Section D: Payment Information

(A) Total previous payments: Enter any partial payment received.

(B) Cost-Share Payment Requested. Maximum amount of cost-share being requested.

(C) Total Cost Approved: Enter the total practice cost (above) or the total cost share approved if the conservation district board has adjusted the submitted costs.

(D) Other Public Funds: Enter the percent of cost share and the dollar amount contributed from other public sources (state and federal funds) to establish practice.

(E) District Share: Indicate the percent of cost share from the contract, multiply the total cost approved by the conservation district's share percentage and indicate this amount in the box. Add this amount to the amount in box (D) and divide the sum by the amount in box (C). Make sure the result does not exceed 0.75. See the following Item C.3 for information on calculating cost-share when funds are combined.

Program Cost-Share Payment: (left column) Transfer the number from box (E) right.

Other Funding Sources: List the amount and name of any other funding sources (from D).

Landowner/Land Occupier Cost: Subtract the program cost-share payment and any other funding sources from the total cost of the practice to arrive at the landowner's/land occupier cost. See Part IV-Combining Cost-Share Funds.

Section E: Practice Certification

The first signature line is a technical sign-off. The conservation district technical representative with technical approval authority (TAA) is certifying that the practice has been installed (or partially installed) according to the practice design's standards and specifications. Refer to Part V-Technical Information.

The second line is to administratively certify that the voucher and all supporting information pertaining to the billed costs are accurate and in accordance with program guidelines. The authorized SWCD representative does not have to be the technical representative.

The third signature line is the conservation district board approval. This requires a board member signature, preferably the chair. The purpose is to authorize payment.

C.3 Combining cost-share funds

Contributions of other state and federal contributors must be deducted from the total cost-shared amount before calculating the amount of State Cost-Share Program funds the land occupier is eligible to receive. This will require close communication to ensure efficient use of all funds. When funds are combined on any project, it is the responsibility of the conservation district board to ensure that the district’s maximum payment rate is not exceeded.

The following examples illustrate how to calculate cost-share percentages when other sources of cost-share are being applied to the project or practice. All calculations should be documented and attached to the Voucher and Practice Certification Summary Form (or use the back of the voucher form).

The Farm Services Agency (FSA) Committee agreed to cost-share, with the conservation district, the cost of a high priority erosion control structure costing \$8,000. The computation, as follows, should be reflected on the Voucher and Practice Certification Summary Form.

EXAMPLE ONE

Total eligible project costs	\$8,000
75% of the total (total cost-shared amount)	\$6,000
Less FSA	<u>-\$3,500</u>
Conservation district contribution	\$2,500

Certain projects involve components that are **not eligible** for payment with state cost-share funds. The following calculations should be used to ensure that state cost-share funds are not used to pay for ineligible items.

EXAMPLE TWO

Total cost of project	\$20,000
Not eligible for state cost-sharing	<u>-\$5,000</u>
Cost of eligible state components	\$15,000

To figure maximum state contribution if only state funds are involved, take 75% of eligible state components (\$15,000), minus the amount FSA agreed to contribute (\$3,500) to share the cost with the district:

Maximum total cost-shared amount	\$11,250
Maximum FSA contribution	<u>-\$3,500</u>
Maximum state contribution	\$7,750

Actual costs differing from estimated cost

In cases where the actual cost of the practice exceeds the estimated cost, the conservation district may only cost-share the approved percentage of the estimated cost unless an amendment to increase the original cost estimate (listed on the cost-share assistance contract) has been approved by the conservation district board.

C.4 Authorizing partial payments

The conservation district board *may* authorize a partial payment in cases where

weather or other unanticipated circumstances beyond the control of the land occupier force postponement of completing the project until the following construction season. The conservation district board may *not* authorize a partial payment unless:

- The anticipated project completion date will be in compliance with the contract and grant agreement terms.
- The completed work meets the practice specifications and standards as planned.
- The conservation district technical representative has reviewed the work and concurs with the payment decisions.

Partial payment authorizations should not be considered as precedent setting. Every request for partial payment should be considered by the conservation district board on its own merit. Conservation districts are encouraged to use partial payment authorization with discretion to eliminate any unnecessary administrative and technical staff workload and program documentation.

Partial payment conditions

Partial payment authorized by the conservation district board must comply with the following conditions:

- Payment percentages must not exceed the approved percentage rate identified on the cost-share contract or the maximum cost-share rate of 75 percent of the total eligible project costs submitted for payment, *whichever is less*.
- The balance of the project costs must be paid by the conservation district board upon project completion.
- All expenses incurred to correct damage caused by the land occupiers failure to expeditiously complete the practice must be borne by the land occupier.
- The land occupier must complete the project within a time deemed reasonable by the conservation district board.
- A land occupier is required to repay a partial payment if the project is not satisfactorily completed.

Partial payment procedures

It is the responsibility of the land occupier to submit a written request for partial payment to the conservation district board. Partial payment documentation requires two voucher forms, one for the partial payment and one for the final payment. The conservation district will note on the Voucher and Practice Certification Summary Form whether the submission is for partial payment or final payment. The procedures for issuing a partial payment are:

- (a) The land occupier submits a written request for partial payment and certifies, by signing the Voucher and Practice Certification Summary form, that the submitted receipts or invoices are an accurate summation of the costs of practice construction.

(b) Prior to conservation district board review, the conservation district technical representative performs a site review. The conservation district technical representative with TAA certifies by signature that the work performed has been completed according to plan.

(c) The conservation district board reviews the written request for partial payment and the completed Voucher and Practice Certification Summary Form. Upon conferring with the conservation district technical representative, the district board must either approve or deny the request for partial payment.

(d) If approved, the conservation district board chair, or its designee, administratively certifies by signature that the voucher and supporting information have been reviewed for accuracy and are in accordance with terms of the cost-share program.

(e) To authorize payment the chair will sign the Voucher and Practice Certification Summary Form.

(f) A letter of approval is sent to the land occupier noting conditions of the partial payment along with the check and a copy of Voucher and Practice Certification Summary Form.

(g) This transaction is documented in the Cost-Share Disbursement Journal and on the Cost-Share Program Log along side of the original contract entry.

(h) If denied, the conservation district will notify the land occupier within 30 days of board action as to the reasons of denial.

C.5 Issuing final payment

It is the responsibility of the land occupier to submit receipts or invoices of all costs relating to the construction of the cost-share project to the conservation district. All cost figures may be rounded off to the nearest dollar. Sales tax is an eligible project cost.

If the contract has had a partial payment issued, the partial payment voucher should be attached to the final payment voucher and the final amount of the partial payment listed in Part D, Item (A) of the Voucher and Practice Certification Summary Form. The final voucher should only list additional costs not already submitted on the partial payment voucher.

Payment procedures

The procedures for issuing final payment are as follows:

(a) The land occupier submits receipts or invoices to the conservation district for final payment and certifies, by signing the Voucher and Practice Certification Summary Form, that the submitted receipts or vouchers are accurate and a true summation of actual costs of practice construction.

(b) Prior to the district board review, the conservation district technical representative performs a site review. The conservation district technical representative with TAA certifies by signature that the work performed has been completed according to standards and specifications for the practice.

(c) The conservation district board will review the receipts or invoices provided by the land occupier to determine the actual cost of the practice. When the district board determines that all claims are practical and reasonable, it will authorize issuance of a check for the conservation district's share of the practice.

(d) If approved, the conservation district board chair, or its designee, certifies by signature that the vouchers and supporting information have been reviewed for accuracy and are in accordance with the terms of the State Cost-Share Program.

(e) To authorize payment the chair will sign the Voucher and Practice Certification Summary Form.

(f) A letter of payment approval is sent to the land occupier along with the check and a copy of the Voucher and Practice Certification Summary Form.

(g) If the conservation district board determines that certain claims are not justified, it will notify the land occupier in writing of the unjustified claims within 30 days. The conservation district board will then authorize the issuance of a check for the conservation district's share of the *justified* claims.

(h) This transaction is then documented in the Cost-Share Disbursement Journal. Any slippage funds are added to the unencumbered funds balance of the Cost-Share Program Log if eligible for re-encumbering

Additional bookkeeping procedures are necessary to show the payment of a contract with funds from two fiscal years. When paying contracts with funds from different fiscal years:

(a) use one Voucher and Practice Certification Summary, noting the amount from each fiscal year on a sheet attached to the form.

(b) issue one check, noting the amount from each fiscal year.

(c) record payments in the corresponding fiscal year's Disbursement Journal, Program Log, Final Financial Report, and Record of Payment to the Land Occupier.

Note: The steps for contract implementation may differ when maintaining eLINK. Please check eLINK documents when maintaining eLINK.

Part IV: Appendix A

Notes

COST-SHARE ASSISTANCE CONTRACT INSTRUCTIONS

GENERAL INFORMATION

Conservation District: Self-explanatory

County Number: 80 (Fiscal agent)

Contract Number: This should include the fiscal year and number (i.e., St.C/S FY04-01).

Individual/Group: Indicate whether the contract is to be with an individual (I) or group (G) of land occupiers.

Federal or Other State Cost-Share: Mark "yes" or "no."

Amendment/ Canceled: Check appropriate box(es); fill in board meeting date

APPLICANT

Landowner: Means a person, corporation, or legal entity that holds title to or is in possession of land.

Land Occupier: A person, corporation, or legal entity that holds title to or is in possession of land within the conservation district as an owner, lessee, tenant, or otherwise. The group spokesperson, as designated in the agreement, must file and sign the contract.

Address: Self-explanatory

CONSERVATION PRACTICE LOCATION

Twp. Name/Range/ Section: Self-explanatory

1/4,1/4 Section: Indicate the conservation practice location to the nearest 40 acres.

County Number: List the county number. 80 (This number may be different than the fiscal agent under an MOA with another district)

Minor Watershed Number: The unique watershed number.

CONTRACT INFORMATION

This form is used for Base [C-S]; Special Project [SP], or Other Allocation in which case list the name of the program.

1. The minimum effective life of a conservation practice is 10 years. An effective life greater than 10 years may be established by the conservation district board.
2. Indicate [FOTG] if using the USDA/NRCS field office technical guide or [other approved] for other recognized technical standards that have been approved by the BWSR. Indicate the name(s) of the standard and specifications.

3. If amending a contract, explanatory statement requiring the conservation district board approval to increase the cost-share payment.

4. The purpose of a starting date is to discourage applicants from requesting assistance and then not completing the project in a timely manner. Conservation district boards, with input from staff, are encouraged to adopt starting and completion dates in advance of the sign up period. Dates established may vary with different conservation practices. See Cost-Share Contract–Project Timelines on Page 28 for more information.

5. The completion date relates to item 4. Although the date established should correspond with the date in item 5, it must allow sufficient time for the applicant to complete the project. The project must be completed within two years after initial board approval (encumbrance) of the contract.

6. Either invoices or receipts to be used for cost verification unless the district has set policy requiring paid receipts. The conservation district must review the receipts or invoices and verify that they are an accurate and true summation of the costs incurred to install the practice.

APPLICANT SIGNATURES

The landowner’s signature is only necessary if the applicant is not the landowner. Holders of land contracts [contract for deed] are eligible to apply as landowners. It is the applicant’s responsibility to obtain the landowner’s signature, if needed.

By signing the application, the applicant indicates his or her agreement to the terms listed. The applicant must initial and date term #1 before the conservation district technical representative can access the parcel. **Make sure the land occupier, landowner, or designated spokesperson understand and acknowledge their agreement to the four items before they sign the contract.**

CONSERVATION PRACTICES

Use a separate application for each conservation practice. For conservation practices which may include more than one component, use one application. If necessary, attach explanation sheets.

Conservation Practice: See Part V: Technical Information (D. 1 through D. 12).

Eligible Components: Corresponding FOTG practices/numbers (see Part V–Technical Information)

Other recognized technical practices: Practices approved by BWSR (see rule definition).
FOTG Number(s): NRCS- Field Office Technical guide number(s) assigned to the corresponding practice (see Part V–Technical Information).

Engineered and/or Ecological Science Practice: Indicate whether the conservation practice is an engineered or ecological science practice. To make

this determination refer to Part V–Technical Information.

Total Cost Estimate:

The estimated cost of the conservation practice.

Notes

TECHNICAL ASSESSMENT AND COST ESTIMATE

The technical assessment and cost estimate, as verified and signed by the conservation districts technical representative, must be signed and dated before district board action to approve the contract.

AMOUNT AUTHORIZED FOR COST SHARE (encumbrance)

The applicant should understand that this is the maximum dollar amount and percentage of the total cost authorized for the project. The percentage must not exceed the maximum cost-share rate of 75 percent. The conservation district board should authorize amendment of these figures only when it is necessary, and must not exceed the percentage rate.

Vertical dotted line with horizontal lines extending to the right, serving as a notes area.

STATE COST-SHARE ASSISTANCE CONTRACT

GENERAL INFORMATION

Conservation District County number	Lake SWCD 80	Contract No. St. C/S FY-04- 01	Individual / Group Ind	Federal or other state Cost-Share? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Amendment <input checked="" type="checkbox"/> Board Meeting Date(s): 5/25/04	Canceled <input type="checkbox"/> Board meeting date(s) :
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APPLICANT

Applicant Jack Johnson	Address Rural Route 5, Box 32	City/State Lake City, MN	ZIP 55555
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* If a group contract, this must be filed and signed by the group spokesperson as designated in the group agreement.

CONSERVATION PRACTICE LOCATION

Township Name Maple Ridge	Township 20N	Range 42W	Section 8	1/4,1/4 sw1/4, sw1/4	County Number 80	Minor Watershed Number 21070
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CONTRACT INFORMATION

I (we), the undersigned, do hereby request cost-share assistance to help defray the cost of installing the following State practice(s) listed on the second page of this contract. It is understood that:

1. The land occupier or landowner is responsible for the operation and maintenance of practices applied under this program to ensure that the conservation objective of the practice is met and the effective life, **a minimum of 10 years**, is achieved. Full establishment and maintenance of all conservation practices to achieve the upland treatment criteria are considered a State Cost Share Program requirement for the life span of the practice receiving financial cost-share assistance. Should the land occupier or landowner fail to maintain the practice during its effective life, the land occupier or landowner is liable to the state of Minnesota for the amount up to 150% of the amount of financial assistance received to install and establish the practice. The land occupier or landowner is not liable for cost-share assistance received if the failure was caused by reasons beyond the land occupier or landowner's control, or if conservation practices are applied at the land occupier or landowner's expense that provide equivalent protection of the soil and water resources.

In no case shall a conservation district provide cost-share assistance to a land occupier or landowner for the reapplication of a practice that was removed by the land occupier or landowner during its effective life without consent of the conservation district board or that failed due to improper maintenance. The specific operation and maintenance requirements for the conservation practice listed are described in the operation and maintenance plan prepared for this contract by the conservation district technical representative. If title to this land is transferred to another party before expiration of the aforementioned life, it shall be the responsibility of the land occupier or landowner who signed this contract to advise the new owner that this contract is in force.

2. Practice(s) must be planned and installed in accordance with technical standards and specifications of the: NRCS FOTG

3. Increases in the practice units or cost must be approved by the conservation district board as a condition to increase the cost-share payments by amendment.

4. This contract, when approved by the conservation district board, will remain in effect unless canceled by mutual agreement, except where installations of practices covered by this contract have not been started by 7/1/04(date), this contract will be automatically terminated on that date.

5. Practices will be installed by 06/30/05(date) unless this contract is amended by mutual consent to reschedule the work and funding.

6. Items of cost for which reimbursement is claimed on the Voucher and Practice Certification Summary Form are to be supported by invoices/receipts for payments and will be verified by the conservation district board as practical and reasonable. The district board has the authority to make adjustments to the costs submitted for reimbursement.

APPLICANT SIGNATURES

The landowner's and land occupier's signature indicates their agreement to:

1. Grant the conservation district's representative(s) access to the parcel where the conservation practice will be located.
2. Obtain all permits required in conjunction with the installation and establishment of the practice prior to starting construction of the practice.
3. Be responsible for the operation and maintenance of conservation practices applied under this program in accordance with an operation and maintenance plan prepared by the conservation district technical representative.
4. Not accept cost-share funds, from state and federal sources combined, that are in excess of 75 percent of the total cost to establish the conservation practice provide copies of all forms and contracts pertinent to any other state or federal programs that are contributing funds toward this project.

<small>Date</small>	<small>Landowner/Spokesperson</small>	<small>Address</small> Rural Route 5, Box 32	<small>City/State/Zip Code</small> Lake City, MN 55555
<small>Date</small>	<small>Land Occupier</small>	<small>Address</small>	<small>City/State/Zip Code</small>

CONSERVATION PRACTICE

The conservation practice category for which cost-share is requested is 412.

<small>Eligible component(s)</small> Subsurface drain 606 mulching 484	<small>Other recognized technical practice</small>	<small>Engineered Practice</small> (<input checked="" type="checkbox"/> yes or <input type="checkbox"/> no) <small>Ecological practice</small> (<input type="checkbox"/> yes or <input type="checkbox"/> no)	<small>Total Cost Estimate</small> 800
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TECHNICAL ASSESSMENT AND COST ESTIMATE

I have reviewed the site where the above listed conservation practice(s) are to be installed and find that they are needed and that the estimated quantities and costs are practical and reasonable.

<small>Conservation District Technical Representative</small>	<small>Date</small> 5/1/03
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AMOUNT AUTHORIZED FOR COST-SHARE (ENCUMBRANCE)

Cost-sharing not to exceed \$600 or 75 percent of the total eligible cost, which ever is less.

<small>Conservation District Board, Chair</small>	<small>Board Meeting Date</small> 7103
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STATE COST-SHARE ASSISTANCE CONTRACT GROUP PROJECT ADDENDUM

GENERAL INFORMATION

Conservation District	Land Occupier/Group Spokesperson	Contract No.	Date	*Group Division of Payment Plan?

CONSERVATION PRACTICE LOCATION

Township Name	Township	Range	Section	1/4, 1/4 Section	County Number	Minor Watershed #

APPLICANT INFORMATION AND SIGNATURES

We (the undersigned) are interested in developing and conserving our soil, water and related resources to meet the objectives of our group. In order to meet our group objectives, we request assistance from the conservation district to help us plan and apply proper land use and conservation treatment measures as agreed upon by our group.

We understand that this help is contingent upon staff assistance from the conservation district and in conformance with its policies and priorities.

We further understand that the below designated group spokesperson shall do the negotiating with the conservation district. Prior to the approval of this application the spokesperson shall prepare a division of payments schedule agreed to by the undersigned and present the schedule to the conservation district board.

(group spokesperson)	(address)	(city/state/zip code)
(group member)	(address)	(city/state/zip code)
(group member)	(address)	(city/state/zip code)
(group member)	(address)	(city/state/zip code)
(group member)	(address)	(city/state/zip code)
(group member)	(address)	(city/state/zip code)
(group member)	(address)	(city/state/zip code)

CONSERVATION DISTRICT BOARD ACTION

Conservation District Board, Chair	Board Meeting Date
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* Attach the division of payment plan to this form.

SAMPLE COST-SHARE CONTRACT APPROVAL LETTER

Insert Letterhead

Date:7/1/2003

Subject: Cost-Share Contract Approval

Dear: Jack Johnson

The Lake Soil and Water Conservation District board has approved your application for State Cost-Share assistance to construct a Grass Waterway. The cost-share assistance cannot exceed \$800.00 or 75 percent of the total cost, whichever is less.

The SWCD is proceeding to develop a conservation practice plan that includes the standards and specifications that must be followed when constructing the practice. In addition, the district is compiling an operation and maintenance plan that indicates your responsibilities to maintain the practice during its effective life. It is important that you do not begin constructing the practice until the SWCD has supplied you with the completed documents. Before starting to construct the practice, please notify the SWCD office.

Upon completion of the project all paid receipts must be brought to the SWCD office. The SWCD board will review the receipts, make adjustments if deemed appropriate, and issue a reimbursement check.

Enclosed is a copy of the cost-share contract you entered in with the SWCD board. Please read it over and feel free to contact the office at 555-1234 if there are any questions.

Sincerely,

District Employee
Lake Soil and Water Conservation District
Enclosure

SAMPLE COST-SHARE CONTRACT DENIAL LETTER

Insert Letterhead

Date:7/11/2003

Subject: Cost-Share Contract Denial

Dear: Jack Johnson

The Lake Soil and Water Conservation District board regrets to inform you that due to lack of funds the District will be unable to provide state cost-share assistance for your Grass Waterway. The shortfall of funds requires the SWCD board to carefully prioritize applications according to the resource protection priorities identified in our comprehensive plan and the county's comprehensive local water management plan.

We encourage you to apply again next year. Regardless of available funds, the SWCD will continue to provide you with technical assistance to treat the erosion problem. Please contact Good Technician at 555-1234 for more information regarding the Grass WaterWay conservation practice or other alternatives to treat the erosion problem.

Thank you for your interest in the State Cost-Share Program.

Sincerely,

Good Technician
Lake Soil and Water Conservation District

Enclosure

BWSR's Internal Corrective Action Procedure

The Cost-Share manual discusses the Non-compliance Guidelines the districts uses when dealing with landowners. This sections discusses the options the Board Conservationist has should the district is Non-compliant.

103C.401, Subdivision 1. Powers and duties, addresses BWSR's obligation to assure program compliance. Items 13, states "the state board shall: ensure compliance with statewide programs and policies established by the state board by advice, consultation, and approval of grant agreements with the districts." Subd.2, states "funds made available to a district from the state for expenditures necessary for its operation may be used only for purposes authorized by the state board."

Procedures and Non-Compliance Guide

- The Board Conservationist discovers a violation(s) during a closeout and documents the nature of violation on the Cost-Share Closeout form.
- The violation is discussed with SWCD staff at the time of the closeout.
- The SWCD staff is given 7 days to contest the Board Conservationist finds.
- If the Board Conservationist findings are uncontested after the 7 day period a letter is sent to the SWCD chair at their home address, SWCD manager/administrator, BWSR's Regional Supervisor, and BWSR's Grants Coordinator. The letter will state the nature of the violation(s), provide documentation substantiating the violation, amount, and list options available to the SWCD for repayment.
 1. The SWCD requires the landowner to return the cost-share funds received.
 2. The SWCD repays the State with non-state funds. This would include funds received from the County or funds generated by the district (tree program, seeder/drill programs, etc.)
 3. The SWCD would take a yearly reduction in cost-share grant payments(s) until the violation amount is met.

Note: If the district is unsuccessful in pursuing items 1 and 2 it will proceed to number 3.

- Upon request the Board Conservationist will attend the SWCD board meeting to address violation(s)
- If the violation is contested (it must be in writing) by the SWCD board, the Board Conservationist will notify the Regional Supervisor and Grants Coordinator.
- The Board Conservationist and Regional Supervisor will attend the next SWCD board meeting to resolve the matter.
- The Board Conservationist will provide a written summary of the Cost-Share discussion to the SWCD chair, Regional Supervisor, and Grants Coordinator.
- If the violation has not been resolved the Grants Coordinator, in consultation with the Board Conservationist and Regional Supervisor, will bring the matter before the Executive Director and the full Board.
- The Board will assign a sub-committee to meet with BWSR staff and the SWCD to resolve the situation.
- If an agreement is not reached and the violation stands the matter will be referred to the State's Attorney General Office.

Part IV: Appendix B

Notes

A. GRANT CLOSE-OUTS

An SWCD must send its board conservationist the Final Financial Report and Record of Payment to Land Occupiers within 30 days of the FY close out. The board conservationist contacts the SWCD and schedules a close out within 60 days of receiving these reports. Board conservationists should attempt to complete the close out within 120 days of receiving these reports from the SWCD.

To assist the board conservationist with the close out, the SWCD should have the following documents ready for review:

- Final Financial Report;
- Cost Share Program Log;
- Cost Share Program Disbursement Journal;
- Record of Payment to Land Occupiers;
- Project file including:
 - Documentation of high/low priority erosion or water quality problems,
 - Technical assessment and cost estimate,
 - Cost-Share Assistance contracts and amendments (if applicable),
 - Construction information,
 - Voucher and Practice Certification Summary Form.
- SWCD board meeting minutes;
- SWCD comprehensive and annual plan;
- SWCD board policies;
- Copy of grant agreement;
- Correspondence from BWSR Central Office or board conservationist regarding approvals (if applicable);
- Project recorded in eLINK, including:
 - Funds expended;
 - Project mapped;
 - Benefit calculation (if required) completed.

B. COST-SHARE NON-COMPLIANCE GUIDELINES

Notes

To provide administrative consistency statewide to non-compliance found in the State Cost-Share Program, the following guidelines have been developed. The degree of non-compliance is identified from least (level 1) to most severe (level 4). Keep in mind the board conservationist has the discretion to include items not covered in the close out non-compliance guidelines.

Program non-compliance has been categorized into four levels:

Level 1: Departure from recommended administrative procedures

This is not a statute or rule violation. An administrative guideline has been followed incorrectly. Many times this includes a form or record that is either not complete, completed incorrectly, or in the case of the landowner correspondence, not kept up to date. Two examples of a level would be an improperly kept program log or project file guidelines not followed.

- A. Note the procedural differences on the cost-share close-out form.
- B. Cite changes with SWCD staff necessary to comply with required procedure and explain the purpose of the procedure.
- C. Changes may be required to close out grant period before certification is issued.
- D. Normally, no penalties are issued for level 1. If items B & C are not corrected, item E in level 2 may be initiated by the BC.

Level 2: Deviation from required administrative procedures

As with level 1, this is not a statute or rule violation. It is a BWSR administrative requirement. Level 2 focuses on specific information required to justify payment. It also reflects the overall health of all aspects of the contract and its components. It would include improperly completed: record of payment to landowners, final financial reports, starting and ending dates, submitted invoices or receipts, lack of documentation, O & M plans, and site inspections.

- A. Note procedural differences on the cost-share close-out form.
- B. Cite changes with SWCD staff necessary to comply with required procedure and explain the purpose of the procedure.
- C. Changes may be required to close out grant period before certification is issued.
- D. Require compliance at the next close out (don't make the same mistake twice).
- E. If compliance is not accomplished at the next close out, a warning is issued that further violations at level 2 will result in financial penalties. (Corrective Action Policy).
- F. No penalties are issued for first-time level 2 violations.

Level 3: Deviation from required SWCD and/or BWSR program rule(s) procedures

These are rule violation(s). Violations at this level may include technical assessment and sign-off by a District Technical Representative without proper TAA, the use of non-approved practices, SWCD and BWSR policy infractions, and project approval dates. A violation at this level highlights major areas of the contract that requires special attention. This level does require corrective action by the SWCD and gives BWSR some latitude in accessing a financial penalty.

BWSR options:

Notes

A. Note procedural differences on the cost-share close-out form.

B. Cite changes with SWCD staff necessary to comply with required procedure and explain the purpose of the procedure.

C. Changes may be required to close out grant period before certification is issued.

D. Require compliance at the next close out.

E. If compliance is not accomplished at the next close out, a warning is issued to the SWCD staff and board that further violations at level 3 will result in financial penalties. (Corrective Action Policy)

Note: No penalties are normally issued for first-time level 3 violations. If the deviation is considered serious by BWSR, the warning procedures may be omitted and the SWCD board is notified and a penalty may be assessed.

Level 4: Rule, Statute, or Grant Agreement violation

Violations at level 4 require the board conservationist to go directly to the corrective action policy. These violations include overpayment to landowners/occupiers (exceed 75 percent), or technical and administrative service provided by the SWCD (exceed 20 percent). Level 4 would also apply if the practice does not address a sedimentation, erosion, or water quality problem. The guidelines also address contract extensions that can only be granted by BWSR.

A. Violations are noted, board conservationist implements *corrective action policy*.

STATE COST-SHARE PROGRAM NON-COMPLIANCE GUIDE

Soil and Water Conservation District

Grant Period

BWSR Staff

Date:

Non-Compliance Level Guide:	1- Departure from recommended administrative process 2- Deviation from required administrative process (policy) 3- Deviation from requirements of rule procedure 4- Rule, statute, or grant agreement violation
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PART III - GRANT ADMINISTRATION

Local Resource Planning				
Section	Subsection	Violation	Level	
A	1. Comprehensive Plan	Inconsistent with comprehensive plans	3	
	3. Annual Plan	Inconsistent with annual plan	3	
		Not covered in annual plan	1	
Distribution of Funds				
B	1. State Board Grants to Conservation Districts	T/A exceeds 20%	4	
	2. Conservation District Administration of Grants	Maximum cost share rate exceeds 75%	4	
	3. Pooling cost-share allocations with other conservation districts	MOA does not meet requirements	3	
		MOA not approved by BWSR	3	
	5. Return of unspent grant funds	Pooled grant periods applied improperly Not returned within 30 days	3 3	
Conservation District Records				
C	1. Program records	BWSR forms and format not used Program and Disbursement log improperly kept	3	
	2. Record of payment to land occupier and financial reports	Improperly completed	2	
	4. Reporting requirements for the state cost-share program	Close out forms not mailed to BC within 30 days	2	
		Annual report not filed	3	
	5. Record retention	Combined Balance Sheet and Statement of Revenues and Expenses not filed	2	
D	Land Occupier Appeals	Provisions not made for retention Procedures not followed	2 3	

Part IV - CONTRACT IMPLEMENTATION

Application				
Section	Subsection	Violation	Level	
A	2. Eligibility review	Practice not approved	4	
		Combined funds requirements exceeds 75%	4	
		Repair for an ineligible project	4	
		Practice started before district board approval	4	
		Technical assessment incomplete	3	

		Cost-share amount exceeds available cost-share balance (negative balance)	3
		Information incomplete	2
		Combined funds requirements lack significant purpose	1
3.	Maximum cost-share rate	Exceeds 75%	4
		District policies not followed	3
4.	Conservation district board approval	Not approved at district board meeting	4
		Not documented in minutes	3
		Chairperson signature and date missing	3
		Approval notice not sent to applicant	2
		Cost-Share Contract	
B	1. Project Timeline	Amendment/extend date not completed prior to end of grant agreement period	4
		Extension granted without BWSR approval	4
		Starting date requirements not met	3
		Completion date requirements not met	3
		District timeline policies not followed	3
		Amendment not used to extend dates	3
2.	Amending the contract	Amendment is meritless	4
		Not approved before project completion	4
		Not approved by district board	4
		Not certified by district technical representative	3
3.	Amendment criteria and considerations	Rate exceeds 75% of total eligible cost or the percentage originally approved by the board, whichever is less	4
		Amended after final payment	4
		Original percentage exceeded	4
		Amendment without sufficient funds	3
		Used to eliminate year end balances	2
		Used without discretion	2
4	Amendment procedures	Procedures not followed	2
5.	Amending with funds from different fiscal year	Start/completion dates not from original contract	2
		Program records do not use original contract number	2
		Issuing Contract Payments	
C	1. Receipts and invoices	Fraudulent billings	4
		District T&A not eligible costs	4
		Receipts and invoices not submitted	4
		District policies not followed	3
		Costs not adjusted or inconsistent	3
2.	Voucher and Practice Certification Summary	Voucher and Practice Certification form completed improperly	3
3.	Combining cost-share funds	Amount approved does exceeds limits	4
		Combined programs computation errors	3
4.	Authorizing partial payments	Not approved at district board meeting	4
		Authorization requirements not met	3
		Condition requirements not met	3
		Discretion not used	2
		Procedures not followed	2

	5. Issuing final payment	Not approved at district board meeting	4
		Components used/not total costs (receipts/invoices)	3
		Not approved by technical representative with TAA	3
		Not administratively certified	3
		Not documented in board minutes	3
		Not signed or dated by chairperson	3
		Slippage handled improperly	3
		Unencumbered balance not returned within 30 days	3
		Records completed improperly	1
Appendix D	1. Requirements and general information	Recording procedures not followed for projects using \$50,000 or more of state cost-share funds	4
	2. Recording policies	BWSR policy not followed	3
		District policy not followed	3

Part V – Technical Information

A	Conservation district technical representation	Representative does not possess appropriate level of TAA (requirements not met)	3
B	Technical assessment and cost-estimate	Not designated by district board	3
C	Approved Practice List	Technical assessments and/or estimates not completed	3
D	Practice Guidelines	Practices not on approved practice list (see NRCS FOTG)	4
E	Other Recognized Technical Practices	Practice guidelines not followed (see NRCS FOTG)	3
F	Project File	Approval procedures not followed	4
		BWSR approval not received	4
		Project file guide not followed	1

Part VI – Contract Maintenance

A	Operation and Maintenance Plans	O&M plans not prepared	2
B	Practice Site Inspection	Site inspection not carried out	2
C	Violations procedures	Violation procedures not followed	3

CHECKLIST ITEMS FOR PROCESSING A COST-SHARE CONTRACT

Contract Number:
Land Occupier/Group Spokesperson:
Conservation district technical representative:
Conservation Practice (NRCS – FOTG)
Other:

Date Completed:

- Conduct field investigation of the problem
- Complete technical assessment and cost-estimate (steps on the back of this page)
- State board approval received (if practice is not on the approved practice list)
- Conservation district board review of eligibility criteria
- Conservation district board action completed check-off requirements:
 - set cost-share maximum rate
 - approved & signed (encumbered)
 - documented in the minutes
 - approval/denial letter sent

Technical requirements completed check-off requirements:

- approval for other standards
- permits attained
- as-built
- practice designed
- practice construction
- certification of completion

Financial transactions completed check-off requirements:

Partial Payments

- land occupier notified of the status and terms of partial payment
- Cost-Share Voucher and Practice Certification Summary received for partial payment
- partial payment approved on
- Program Log and Disbursement Journal updated

Final Payment

- Cost-Share Voucher and Practice Certification Summary received for final payment
- conservation district board certifies the voucher has been reviewed for accuracy
- conservation district board approves final payment

- Reporting requirements completed
- Project in eLINK
- Funds expended
- Project mapped
- Benefit calculation (if required) completed

TECHNICAL ASSESSMENT

1. The problem does does not meet the high priority erosion water quality definition.

Explain:

2. Conservation practices that will effectively treat the problem:

Alternatives:

Recommendation:

3. Potential impacts caused by the construction of the conservation practice:

Cultural resources (including historical):

No

Yes (please explain)

Threatened or endangered species:

No

Yes (please explain)

Wetlands:

No

Yes (please explain)

Other:

No

Yes (please explain)

4. Watershed treatment assessment:

percent of the contributing watershed acres controlled by the land occupier has the needed cultural, management, or structural practices in place, or scheduled to be installed to stabilize sources of damaging sediment and surface water runoff.

Runoff from the contributing watershed (including land not controlled by the land occupier) will will not prevent the practice from achieving its intended purpose with normal operation and maintenance of the practice.

Notes:

COST-SHARE ASSISTANCE CONTRACT AMENDMENT

Conservation District	Contract Number	Amendment Number	Amendment Type
LAKE SWCD	ST.C/S FY04-01	1	Date: <input type="checkbox"/> Amount: <input checked="" type="checkbox"/> Land Occupier <input type="checkbox"/>

The parties whose names are signed below hereby agree that the above-referenced cost-share assistance contract is amended as follows:

IT IS AGREED THAT:

The original cost estimate of \$800.00 shall be amended to \$1,100.00. Unanticipated seepage will require extra drain tile. The total amount authorized for cost-share based on the original percentage of 75% is \$825.00.

The original contract as numbered shall remain in full force and effect, except for those changes made necessary to this amendment.

This amendment is to take effect on the date of the last signature hereto.

Landowner	Date 4/24/04
Land Occupier	Date

TECHNICAL ASSESSMENT AND COST ESTIMATE

I have viewed the site where the above listed are to be installed and find that they are needed, and that the amended estimated quantities, costs or completion date are practical and reasonable.

Conservation District Technical Representative	Date 5/14/04
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CONSERVATION DISTRICT BOARD APPROVAL

Conservation District Board, Chair	Board Meeting Date 5/26/04
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VOUCHER AND PRACTICE CERTIFICATION SUMMARY FORM

A PAYEE INFORMATION <input type="checkbox"/> Check if name or address change		B PRACTICE INFORMATION				
Name JACK JOHNSON		I.D. Number ST. C/S FY04-01				
Address RURAL ROUTE 5 BOX 32		BWSR Program <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>				
City, State, Zip Code LAKE CITY, MN 55555		Tons of Soil Saved SAVED 15T/Y	Sediment Reduction	Phosphorus Reduction		
C	Cost Information	Basis of Request <input checked="" type="checkbox"/> Installation <input type="checkbox"/> Reinstallation	Type of Request <input type="checkbox"/> Partial <input checked="" type="checkbox"/> Final	Total Cost of Project \$1,100.00		
	R/I	ITEM	QUANTITY	UNIT	UNIT PRICE	COST
R	EARTHWORK		8	HOURS	\$100.00	\$800.00
R	6" TILE		200	FEET	\$0.60	\$120.00
R	SEED		25	POUNDS	\$1.00	\$25.00
R	SEEDBED PREPARATION		4	HOURS	\$38.75	\$155.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
TOTAL						\$1,100.00
R: Receipt/Invoiced Item (attach additional sheets as necessary)						
I: In-kind Contribution						
I certify that this is an accurate and true summation of the actual costs and quantities of material, labor, and equipment used on the above project. _____ cases where the receipts included items not used on the project, I have corrected them accordingly.						
<div style="display: flex; justify-content: space-between;"> (Payee Signature) 6/9/2004 (Date) </div>						
D PAYMENT INFORMATION						
TOTAL COST OF PRACTICE <u>\$1,100.00</u> [above]						
PROGRAM COST-SHARE PAYMENT \$ <u>825.00</u> [from box e] (a) Total of Partial Payments Issued <u>\$0.00</u>						
Other Funding Sources (Please identify source) (b) Cost Share Payment Request <u>\$825.00</u>						
<u>\$0.00</u> [from base]						
<u>\$0.00</u>						
COST-SHARE PROGRAM [(a) + (b) cannot exceed 75% of (c)]						
(c) Total Cost Approved <u>\$1,100.00</u>						
(d) Other State or Federal Funds <input type="text"/> % <u>\$0.00</u>						
(e) District Share <input type="text"/> % <u>\$825.00</u>						
LAND OWNER/LAND OCCUPIER = <u>\$275.00</u>						
(attach additional sheets as necessary)						
E TECHNICAL CERTIFICATION		ADMINISTRATIVE CERTIFICATION		CONSERVATION DISTRICT BOARD PAYMENT APPROVAL		
I certify that an inspection has been performed and that the items identified in part c have been complete and are in accordance with the requested practice standards and specifications.		I certify that I have reviewed this voucher and all supporting information and that to the best of my knowledge and belief, the quantities and billed cost or disbursements are accurate and are in accordance with terms of the program identified.				
DISTRICT REPRESENTATIVE with TAA Date 6/18/2004		ADMINISTRATIVE SIGN-OFF DESIGNATED SWCD REP. Date 6/21/2004		CONSERVATION DISTRICT BOARD CHAIRPERSON Date 6/23/2004		

A. RECORDING PRACTICES

A. 1 Requirements and general information

The location of conservation practices using \$50,000 or more of State Cost-Share Program funds must be recorded on the property title at the county recorder's office. This notifies subsequent buyers of the existence of a state-funded conservation practice on the property and their obligation to maintain the practice during its effective life. When amendments to cost-share contracts result in program payment equal to or greater than \$50,000, the practice must be recorded. The original and amended cost-share contract amounts are recorded.

For practices costing less than \$50,000 to establish, the district board can determine whether the practice should be recorded when reviewing cost-share assistance applications.

A. 2 Recording policies

- Recording must be done within 30 days after final payment.
- When an application is approved for funding that requires recording, the conservation district should contact the county recorder and document the ownership of the land where the practice will be constructed.
- For a Contract for Deed, the seller and the buyer's name and address must be filled in the first blank. They must both sign the form.
- Even if only one spouse is listed on the deed of record, both names must be listed in the landowner's section on the recording form and both must sign the form.
- If there are multiple practices (thus multiple contracts) on the same site, contracts may be grouped for a single recording with the county recorder.
- If a practice is located in two or more counties, record in each county.
- If the landowner lives out of the immediate area, information must be mailed to their place of residence.
- After recording, all landowners should receive a copy of the recorded form.
- Recording fees are paid by the district.
- If a landowner refuses to record a practice, any payments made must be refunded.
- If the practice is on the property line (or crosses over it) a consent to record the practice must be obtained from the effected property owner prior to constructing the practice.
- Districts can record a practice under \$50,000 if they choose. This may be wise where:
 - Local match is contributed to cover some or all of the landowner's cost.
 - Other state and federal contributions, when added to the state cost-share program funds, equal or exceed \$50,000; or
 - The practice is located on lands likely to change ownership frequently.

C. EXAMPLES OF WHAT FORM TO USE AND WHEN

Situation	Form	Who Signs
<i>Individual landowner owns property; no mortgage</i>	Recording of Permanent Conservation Practices, Individual	Landowner and spouse
<i>Contract for Deed</i>	Recording of Permanent Conservation Practices, Individual	Landowner and spouse (vendee) and seller and spouse (vendor)
<i>Individual landowner has a mortgage (with a mortgage company) on property</i>	Recording of Permanent Conservation Practices, Individual Consent form, Corporation	Landowner and spouse Mortgage company
<i>Individual landowner has a recorded lease on the land</i>	Recording of Permanent Conservation Practices, Individual Consent form, Individual	Landowner and spouse Interested party
<i>Corporate landowner owns property, no mortgage</i>	Recording of Permanent Conservation Practices, Corporation	Corporation officials
<i>Corporate landowner has a mortgage (with a mortgage company) on property</i>	Recording of Permanent Conservation Practices, Corporation Consent form, Corporation	Corporation officials Mortgage company

C. 3 Instructions for recording conservation practices

Notes

NOTE: Instructions refer to the Permanent Conservation Practices Individual form found on Page 60. All entries must be typed, with the exception of the sketch and signatures.

1. The name and address of the landowner(s) of record. If it is a husband/wife, note that after the name. If there is more than one landowner (other than the spouse), attach an additional sheet with the name and address, signature block, and area for the notary and county recorder. Note the attachment at the top.
2. Describe the permanent conservation practice including type, quantity and, if possible, dimensions of the practice.
3. The total dollar amount of state cost-share funds contributed (include amendments, if appropriate).
4. The duration or effective life of the permanent conservation practice (i.e., a minimum of 10 years). The effective life begins when the conservation district board authorized final payment.
5. The locale of the permanent conservation practice by legal description.
6. Additional location data on the permanent conservation practice.
7. Enter a sketch of the permanent conservation practice from an aerial photo. Include any location identification.
8. Enter an "X" indicating scale used.
9. Use black ink pens for all signatures. These are the signature blocks. All signatures must be the same as they appear on the land title.
10. Each signature must be notarized. If two or more signatures are required, and done at the same time, they (both or more signatures) may be notarized at the same time. If not done at the same time, you must have a second signature page with additional room for the second notary. It must state the marital status (i.e., husband/wife) on the line "Name of Person Acknowledged." If the husband and wife's signatures are notarized at different times, the notary must state the marital status (i.e., John Doe, husband to Jane Doe or Jane Doe, wife of John Doe) on the line of "Name of Person Acknowledged."
11. For County Recorders Use Only: For the recorder's bookkeeping.

Where recording is required (by the state board or the conservation district board) please make a copy of the checklist found in Appendix D (Page 56), complete it, and keep it in the project file.

ACKNOWLEDGMENT FOR INDIVIDUALS
Permanent Conservation Practices Individual

STATE OF)
)
COUNTY OF)

Execution of the attached Permanent Conservation Practices document was acknowledged before me this day of , 20 , by

(Seal)

Notary Public (signature)

My commission expires: _____

**PERMANENT CONSERVATION PRACTICES
INDIVIDUAL**

(Pursuant to Minnesota Statutes, Chapter 103C.501)

NAME AND ADDRESS OF LAND OCCUPIER(S) (See Attachment ___)

DESCRIPTION OF PRACTICE (Including width, length, or quantity)

STATE COST-SHARE AMOUNT:

DURATION OF PRACTICE:

TO

LOCATION OF PRACTICE (See attachment ___)

Township
Range
¼ Section
¼ Section
¼ Section
¼ Section

ADDITIONAL DATA:

Scale:

4" = 1 mile

8" = 1 mile

SIGNATURES (See Attachment __)

Land Occupier Date

Land Occupier Date

Land Occupier Date

Land Occupier Date

FOR NOTARY USE ONLY:
STATE OF MINNESOTA _____)

COUNTY OF _____)

The foregoing instrument was acknowledged before me this
_____ day of _____, 20_____.

Name of Person Acknowledged

Name of Person Acknowledged

Name of Person Acknowledged

My commission expires _____, 20_____.

This instrument was drafted by:
Minnesota Board of Water and Soil Resources
One West Water Street, Suite 200
St. Paul, MN 55107

FOR COUNTY RECORDER USE ONLY:

SAMPLE RECORDING PRACTICE LETTER TO LANDOWNER

Date **4/9/03**

Dear **JACK JOHNSON**

To protect and conserve Minnesota's natural resources, (**JACK JOHNSON**) has made the commitment to install a **GRASSED WATERWAY**.

The LAKE county recorder has informed the district that you **JACK JOHNSON** are listed on the deed as owner (or having an interest in) **RURAL ROUTE 5, BOX 32, MAPLE RIDGE TOWNSHIP**. Minnesota Rule 8400.1650 requires that conservation practices constructed using state cost-share funds and costing \$50,000 or more (or practices less than \$50,000 but the district board deems appropriate to record), must be recorded on the property deed for the effective life of the practice. This is to ensure that the permanent conservation practice remains on the land and that the practice is properly maintained.

Since you have a vested interest in the property, we request that you review the enclosed documents. Please sign and date the enclosed documents where indicated. Your signature(s) must be notarized by a notary public at the time of signing (if the district has notary capabilities available indicate so). When this is completed, please return the documents in the enclosed stamped envelope.

If you have any questions, please do not hesitate to contact **MR. SMITH** at this office.

Thank you for your time.

Sincerely

Chairperson

Enclosures

- 1) Copy of recording form
- 2) Acknowledgement for Individuals
- 3) Any additional information