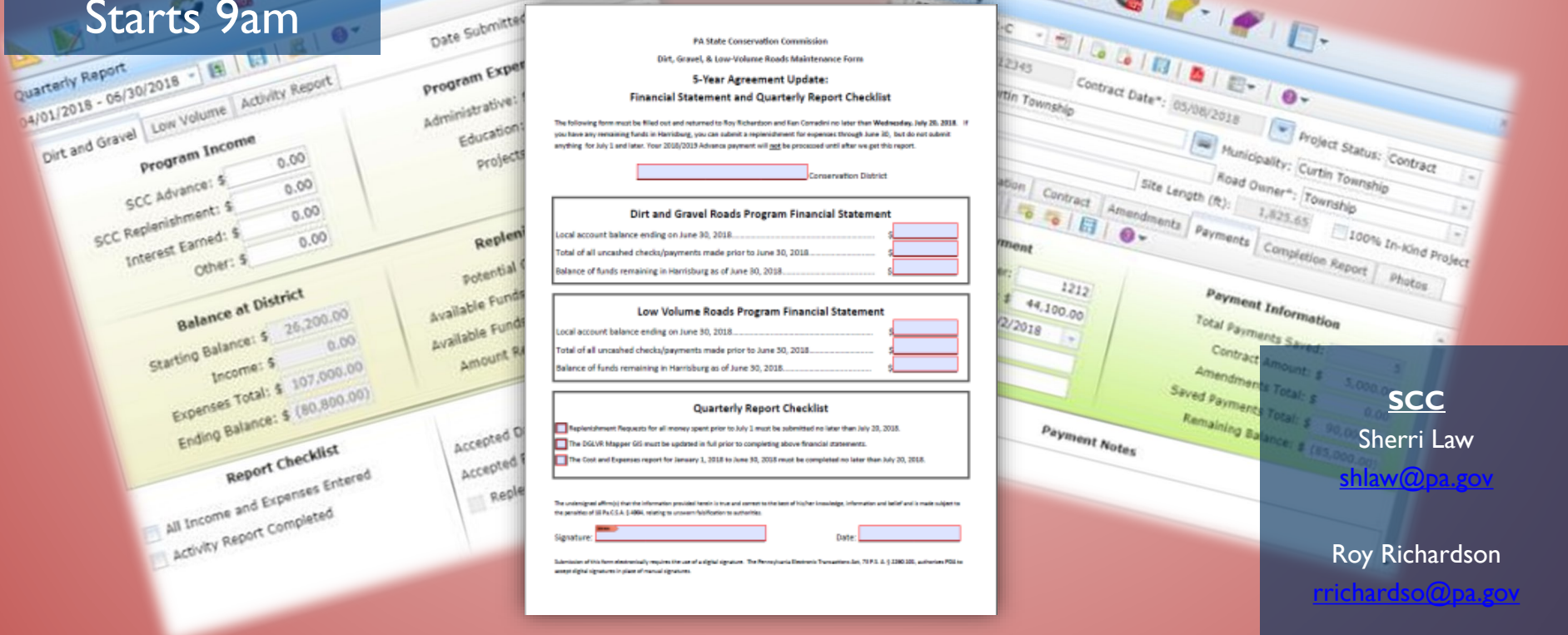


WEBINAR

7/6/2023

Starts 9am



SCC

Sherri Law
shlaw@pa.gov

Roy Richardson
rrichardso@pa.gov

CDGRS

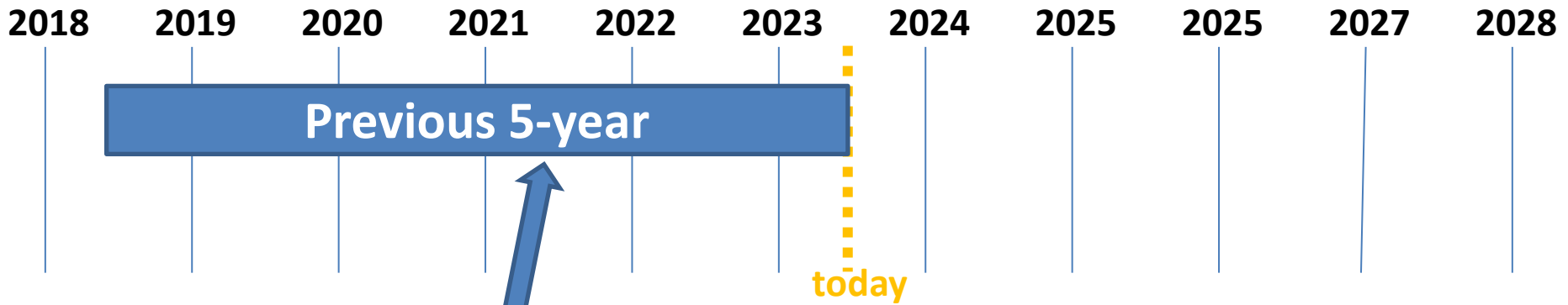
Ken Corradini
kjcl39@psu.edu

If you are reading this, then you are successfully seeing the webinar video. Webinar audio should be automatic through your computer (or click “join audio”), and options can be accessed in the “audio options” button on the bottom left. If your computer audio is not working, you can listen on your phone by dialing 312-626-6799.



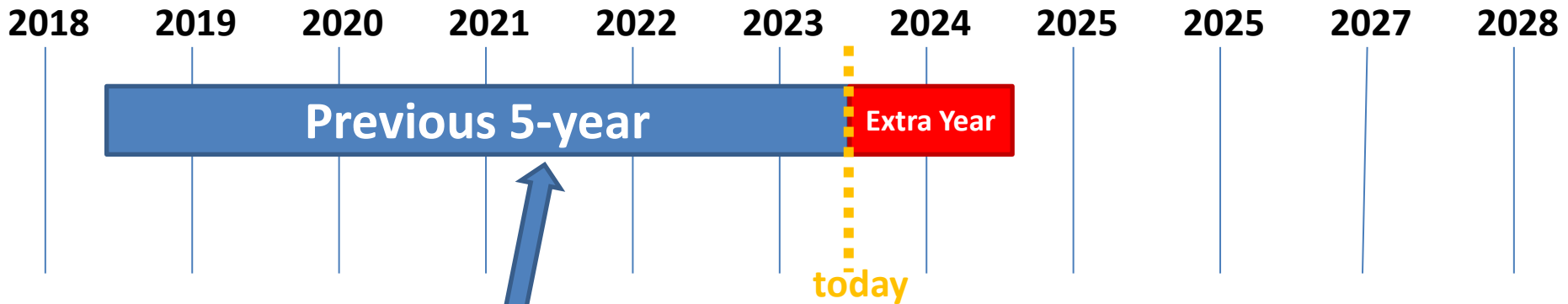
DGLVR 5-Year Agreements (between SCC and CDs)

- **Agreement that establishes DGLVR Program in individual CDs, allowing funding transfer to CDs.**
- **66 CDs currently have agreement**
- **New Agreement Starts 7/1/2023**
- **All funding from previous agreement must be spent out by 6/30/24**



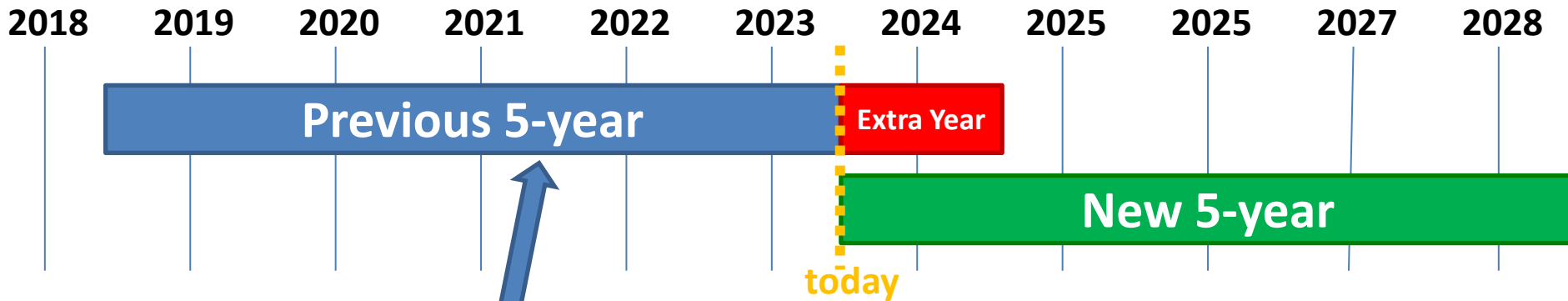
Previous 5-year:

- Began 7/1/2018 & ended 6/30/2023



Previous 5-year:

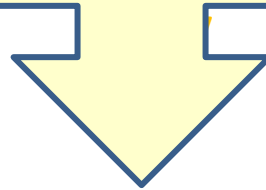
- Began 7/1/2018 & ended 6/30/2023
- **Extra year written into contract to spend funds.
All funds must be spent by 6/30/2024.**



Previous 5-year:

- Began 7/1/2018 & ended 6/30/2023
- **Extra year written into contract to spend funds.
All funds must be spent by 6/30/2024.**
- **New Agreement begins 7/1/2023**

ALL FUNDS: funds in Harrisburg, AND in
Conservation District Accounts



What this means:

- 6/30/2024: **ALL funds** from FY 18-19 through FY 22-23 must be SPENT.

Spending Status as of 7/6/2023

Committed All:

- DGR: 14 (\$16.6M)
- LVR: 10 (\$6.1M)

Not Committed All:

- DGR: 51 (\$5.2M)
- LVR: 56 (\$3.6M)

Remaining in Harrisburg:

- DGR: \$160K
- LVR: \$261K

Question:

What do you consider “spent”?

Answer:

Spent: **when DGLVR Funds leave your Program account**

- An admin/edu expense has been paid with Program funds and reported in quarterly report
- A check has been written to the grant recipient and entered in GIS
 - Advances, partial payments, final payments

2-Year Administrative and Education Spending Approval

Effective July 1, 2020, administrative and education expenses must be incurred within the allotted fiscal year. The "banking" of administrative funds for two fiscal years is only allowed with written permission from the Commission. Permission to use these funds must be submitted by June 30 of the current fiscal year. The following amounts indicates the approved SCC amounts for the use of administrative and education expenses for the next fiscal year. Note that if the actual amounts left at the end of the fiscal year are less than the approved amounts, the lesser amount will be applied to the allowable spending cap.

Dirt and Gravel

Administrative: \$

Education: \$

Low Volume

Administrative: \$

Education: \$

Education: \$

Administrative: \$

Education: \$

Administrative: \$

Reminders about project payments:

- Advance:

- Funds paid from conservation district to grant recipient before any project work is done
- Up to 50% of contracted grant amount

- Final Payment:

- Must be at least 30% of the contract
- Can only be made after project completion
 - Construction completed to DGLVR requirements and district satisfaction
 - Completion report properly filled out and signed by district and grant recipient
 - All required paperwork received: invoices, prevailing wage, off ROW permission, evidence of permits, etc.

Reminders about project payments:

- Partial payment:

- Payment for construction completed before a project is 100% complete
- Conservation district must have receipts for any advance payments PLUS the requested partial payment
- Cannot exceed 70% of total grant amount

How to spend money:

- Admin and education expenses paid for between 7/1/2023 and 6/30/2024
- **Do simple projects**
 - Why? They can be completed by 6/30/2024
 - Note that advances & partial payments count towards spending, but are rarely adequate to meet spending requirements
- Call Roy, Ken, and Sherri
 - Will happily do a budget analysis with you 😊

Things not to do:

- Additional partial payments before the advance is spent is not allowed by policy
- It is not advisable to provide additional funds to a project that will not be done by 6/30/2024
- It is not advisable to contract a new stream crossing now to try to spend funds by 6/30/2024

Things not to do:

- Additional partial payments before the advance is spent is not allowed by policy
- If your schedule of payments allows you to pay up to 70%, then you can pay an additional 20% of the contract value (original contract + amendments)

Example schedule of payments:

- \$100,000 total contract amount
- \$50,000 is advanced
- District receives receipts for \$20,000 in materials costs.
- Can you provide another payment for \$20,000?



- Because the grant recipient still has \$30,000 of the original advance
- An additional payment at this point would essentially be another advance, which is not allowed

Example schedule of payments:

- \$100,000 total contract amount
- \$50,000 is advanced
- District receives receipts for \$70,000 in materials costs.
- Can you provide another payment for \$20,000?

YES!

- Because the grant recipient has spent the original advance, plus an additional \$20,000

Example schedule of payments:

- \$100,000 total contract amount
- \$50,000 is advanced
- District receives receipts for \$80,000 in materials.
- Can you provide another payment for \$30,000?



- Because you have to retain at least 30% of the contract for final payment
- You can make a partial payment of \$20,000.
- The other \$10,000 is part of the final payment.

Things not to do:

- It is not advisable to provide additional funds to a project **that will not be done by 6/30/2024**
 - This ties up 50% of the amount as funds that cannot be spent by 6/30/2024

Example:

- Existing \$100,000 contract (\$50,000 advance)
 - Won't be completed by 6/30/2024
- Have \$50,000 left to spend by 6/30/2024
- Could I provide a \$50,000 amendment to the contract to meet my 6/30/2024 spending requirement?



- Why? Because you can only give an additional \$25,000 advance
- Also, because the contract won't be completed by 6/30/2024, there is no way to spend the other \$25,000

Don't forget to call
us to discuss your
specific situation

Things not to do:

- **It is not advisable to contract a new stream crossing now to try to spend funds by 6/30/2024**
 - Very likely will not be able to be complete
 - Also treat other complex, engineered/permitted projects the same way (land slides, etc.)
 - Note that if your spending requirement can be met with other spending (including the advance for the stream crossing): it can be okay to sign that contract.

Spending “old” vs “new” funds

- Note that ALL DGLVR funds spent between 7/1/2023-6/30/2024 will count towards spending requirements
 - Including “new” funds from 2023-24 allocation

Call Ken, Sherri, or Roy for assistance
in determining how to meet your
spending requirement

Question:

What if funds are not spent by 6/30/24?

Answer:

Per conditions of the existing 5-year agreement (section 1.3): *“...the funds will revert back to the control of the Commission for future apportionments, or the District may, at the discretion of the Commission, be ineligible for future allocations, or the amount of such funds may be deducted from any future apportionment to the District.”*

Question:

How do I know how much I need to spend to meet my spending requirements?

Answer:

This information is available in the GIS.

What happens when the April – June, 2023 Quarter is Accepted?

- The Current Balance will be copied to the “Old Money” Balance
- All remaining funds from the old agreement that are still in Harrisburg will be shifted to the previous agreement.
- All expenses, which are equivalent to the Potential Claim will also count towards reducing your “Old Money” Balance to zero.

April – June Quarter

| Dirt and Gravel | | Low Volume | | Activity Report | | Managers | | Date Submitted: 07-05-2023 | |
|----------------------------|----|-------------|--------------------------|-----------------|----------------------------------|----------|--|----------------------------|--|
| No Receipt Uploaded | | | | | | | | | |
| Starting Balance: | \$ | 126,437.38 | Potential Claim: | \$ | 1,000.00 | | | | |
| Income: | \$ | 6,516.41 | Harrisburg Funds (Cur): | \$ | 39,045.73 | | | | |
| Expenses Total: | \$ | 1,000.00 | Harrisburg Funds (Prev): | \$ | 0.00 | | | | |
| Ending Balance: | \$ | 131,953.79 | Amount Requested: | \$ | 1,000.00 | | | | |
| Spending Status | | | | | Previous 5-Year Agreement | | | | |
| Unreported Advance: | \$ | 0.00 | "Old Money" Balance: | \$ | 0.00 | | | | |
| Unreported Replenishments: | \$ | 0.00 | Currently Spent: | \$ | 0.00 | | | | |
| Current Balance: | \$ | 170,999.52 | Balance Remaining: | \$ | 0.00 | | | | |
| Committed Remaining: | \$ | 228,450.00 | | | | | | | |
| Uncommitted Balance: | \$ | (57,450.48) | | | | | | | |

| Replenishments | |
|---------------------------|---------------|
| Potential Claim: | \$ 5,000.00 |
| Harrisburg Funds (Cur): | \$ 0.00 |
| Harrisburg Funds (Prev): | \$ 38,045.73 |
| Amount Requested: | \$ 5,000.00 |
| Previous 5-Year Agreement | |
| "Old Money" Balance: | \$ 170,999.52 |
| Currently Spent: | \$ 5,000.00 |
| Balance Remaining: | \$ 165,999.52 |

July - September Quarter

| Dirt and Gravel | | Low Volume | | Activity Report | | Managers | | Date Submitted: | |
|----------------------------|----|-------------|--------------------------|-----------------|----------------------------------|----------|--|-----------------|--|
| No Receipt Uploaded | | | | | | | | | |
| Starting Balance: | \$ | 131,953.79 | Potential Claim: | \$ | 0.00 | | | | |
| Income: | \$ | 0.00 | Harrisburg Funds (Cur): | \$ | 0.00 | | | | |
| Expenses Total: | \$ | 0.00 | Harrisburg Funds (Prev): | \$ | 38,045.73 | | | | |
| Ending Balance: | \$ | 131,953.79 | Amount Requested: | \$ | 0.00 | | | | |
| Spending Status | | | | | Previous 5-Year Agreement | | | | |
| Unreported Advance: | \$ | 0.00 | "Old Money" Balance: | \$ | 170,999.52 | | | | |
| Unreported Replenishments: | \$ | 1,000.00 | Currently Spent: | \$ | 0.00 | | | | |
| Current Balance: | \$ | 170,999.52 | Balance Remaining: | \$ | 170,999.52 | | | | |
| Committed Remaining: | \$ | 228,450.00 | | | | | | | |
| Uncommitted Balance: | \$ | (57,450.48) | | | | | | | |

Question:

What happens next?

Answer:

- The SCC will begin accepting April-June 2023 quarterly reports
- Once your QR is accepted, new numbers will appear in the July-Sept 2023 quarterly report:
 - Location where you track 5-year spending moves
 - New allocations will appear in the quarterly report once the funds are encumbered

Question:







When do I get my advance?

Answer:

- After a while:
 - Funds need to be encumbered first
 - State budget needs to pass
 - SCC will not process advances until the last quarterly report in the 5-year agreement is accepted
- It is especially important that account balances match at the end of the 5-year agreement

If there are any inconsistencies between your local and GIS accounts, CALL US IMMEDIATELY

Dirt and Gravel | Low Volume | Activity Report | Managers | Date Submitted:

| Program Income | Program Expenses |
|--|---|
| SCC Advance: \$ <input type="text"/> | Administrative: \$ <input type="text"/> |
| SCC Replenishment: \$ <input type="text"/> | Education: \$ <input type="text"/> |
| Interest Earned: \$ <input type="text"/> | Projects: \$ <input type="text"/> |
| Other: \$ <input type="text"/> | Other: \$ <input type="text"/> |

| Balance at District | Replenishments |
|--|--|
| Starting Balance: \$ <input type="text"/> | Potential Claim: \$ <input type="text"/> |
| Income: \$ <input type="text"/> | Harrisburg Funds (Cur): \$ <input type="text"/> |
| Expenses Total: \$ <input type="text"/> | Harrisburg Funds (Prev): \$ <input type="text"/> |
| Ending Balance: \$ <input type="text"/> | Amount Requested: \$ <input type="text"/> |

| Report Checklist | SCC Use Only |
|--|--|
| <input type="checkbox"/> Income & Expenses | Accept Date: <input type="text"/> By: <input type="text"/> |
| <input type="checkbox"/> Activity Report | <input type="checkbox"/> Replenishment Processed |
| <input type="checkbox"/> Balances Verified | <input type="checkbox"/> Expenses Approved |
| <input type="checkbox"/> All Contracts Valid | |