

**NAWCA CANADA PROGRAM  
GRANT ADMINISTRATION  
STANDARDS**

**North American Wetlands Conservation Act 2023**

**Revised January 2024**

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**Note:** The term “Federal” throughout these Standards is used to refer to the United States Federal Government. These Standards are adapted from the NAWCA U.S. Grant Administration Standards.

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## **Section A: Applicability and Authorities**

The NAWCA Canada program promotes partnerships between public agencies and groups interested in: a) protecting, enhancing, restoring, and managing an appropriate distribution and diversity of wetland ecosystems and other habitats for wetlands-associated migratory birds and other fish and wildlife in North America; b) maintaining current or improving distributions of wetlands-associated migratory bird populations; and c) sustaining an abundance of waterfowl (ducks, geese, and swans) and other populations of wetlands-associated migratory birds consistent with the objectives of the North American Waterfowl Management Plan, U.S. Shorebird Conservation Plan, Waterbird Conservation Plan for the Americas, Partners in Flight Bird Conservation Plan, and other international obligations contained in the treaties and migratory bird conventions and other agreements with Canada, Mexico, and other countries.

Proposals to the NAWCA Canada program should demonstrate how the activities of partners will encourage sustainable and effective programs for the long-term conservation of wetlands-associated migratory birds. NAWCA funds wetlands conservation projects that include one or more of the following: a) the obtaining of a real property interest in lands or waters, including water rights, of a wetland ecosystem and associated habitat if the obtaining of such interest is subject to terms and conditions that will ensure that the real property will be administered for the long-term conservation of such lands and waters and the migratory birds and other fish and wildlife dependent thereon; (b) the restoration, management, or enhancement of wetland ecosystems and associated habitat for migratory birds and other fish and wildlife species if such restoration, management, or enhancement is conducted on lands and waters that are administered for the long-term conservation of such lands and waters and the migratory birds and other fish and wildlife dependent thereon.

### **1. Overview of Standards**

These Standards apply to any project that:

- (a) is granted Federal financial assistance approved under the authority of the North American Wetlands Conservation Act (NAWCA); and
- (b) occurs on lands or waters under the jurisdiction of Canada.

The term “Federal” throughout these Standards is used to refer the United States Federal Government. These Standards are parallel to the U.S. Grant Administration Standards. Any section noted as “not applicable” is either a section or set of restrictions that only apply in the United States.

The term FWS Program Office for the purposes of these Standards refers to the U.S Fish and Wildlife Service (FWS) Division of Bird Habitat Conservation in the Migratory Birds Program. When directed to contact the FWS Program Office for an awarded grant you should contact your FWS Project Officer. For proposals, pre-award issues or closed grants, contact the FWS

Program Office staff.

## **2. NAWCA Authorities**

The authority of the North American Wetlands Conservation Act (NAWCA) grant program is 16 USC 4401 et seq., as amended. General provisions applicable to grants awarded by agencies of the US Department of the Interior, including definitions of terms used in this document, are in Title 2, Part 200, of the Code of Federal Regulations (CFR). The actual laws and regulations take precedence over any restatement, summary, or interpretation of the same in this document.

## **Section B: Grant Agreement**

### **1. Grant Agreement Overview**

The Grant Agreement consists of a Notice of Grant Award (NGA) Form which incorporates these Standards, the Proposal and any approved modifications, and the Recipient's signed Standard Form 424 (SF-424), including required Financial Assistance Representation and Certification.

### **2. Binding Grant Agreement**

The Recipient agrees to terms and conditions of the grant by signing the SF-424 and reading and agreeing to the representations and certifications in SAM.gov and enters into a binding agreement by receiving Federal funds.

### **3. Termination**

The Recipient may decline the award or request a delay of the execution date by written notice to U.S. Fish and Wildlife Service (FWS) Program Office within 10 business days of receipt of the Grant Agreement. FWS may terminate the award in whole or in part if a Recipient materially fails to comply with the terms and conditions of an award. FWS may also terminate this award with the consent of the Recipient, in which case the two parties must agree upon the termination conditions, including the effective date, and in the case of partial termination, the portion to be terminated. The Recipient may terminate the award upon sending to FWS written notification setting forth the reasons for such termination, the effective date, and in the case of partial termination, the portion to be terminated.

However, if FWS determines in the case of partial termination that the reduced or modified portion of the Grant Agreement will not accomplish the purposes for which the grant was issued, it may terminate the grant in its entirety. In any partial termination of an award, FWS must consider the Recipient's responsibilities for property management (if any) and submit financial, performance, and other reports required by this document.

## **4. Sub-recipients**

If grant funds are subawarded to a subrecipient, the subrecipient is responsible for adhering to the Federal program requirements specified in the Federal award, including these Standards and 2 CFR 200. For the purposes of this document, subrecipient and Recipient are synonymous, and subrecipients have the same responsibilities as the Recipients. The pass-through entity must comply with 2 CFR 200.332 (Requirements for pass-through entities), when issuing a subaward.

### **Section C: Eligibility**

#### **1. Eligibility Criteria**

Eligible activities and costs for NAWCA grants are outlined in Appendix I of these Standards. The Eligibility Criteria should be reviewed before submitting a proposal for funding. It is the responsibility of the applicant to ensure all costs and activities are eligible to be included in a NAWCA grant.

#### **2. Business Registration**

To receive funds, the Recipient must be registered to do business with the U.S. government and have a Unique Entity ID (UEI). Recipients can complete the registration process at <https://www.sam.gov>. Registration must be maintained annually.

#### **3. Financial Assistance Representation and Certification**

All recipients are required to read and agree to the representations and certifications in SAM accessed via <https://www.sam.gov> as a part of required registration.

Registrants are required to review and update the representations and certifications submitted to SAM as necessary, but at least annually, to ensure they are kept current, accurate, and complete. The representations and certifications are effective until one year from date of submission or update to SAM.

#### **4. Financial Management System**

A recipient organization must have a financial management system that complies with the U.S. Code of Federal Regulations (2 CFR 200) and provides the following:

- (a) Identification, in its accounts, of all Federal awards received and expended. Federal award identification must include the Assistance Listings title and number, Federal award identification number and year, and name of the pass-through entity, if any.

- (b) Accurate, current, and complete disclosure of the financial results of each Federal award.
- (c) Records that identify adequately the source and application of funds for grant and match-funded activities. These records must contain information pertaining to Federal awards, authorizations, financial obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.
- (d) Effective control over, and accountability for, all funds, property, and other assets. The non-Federal entity must adequately safeguard all assets and assure that they are used solely for authorized purposes.
- (e) Comparison of expenditures with budget amounts for each Federal award.
- (f) Written procedures for determining the allowability of costs.

## **Section D: Financial Administration**

### **1. Allowable Costs**

Grant and match funds may be used to cover costs necessary to carry out the purpose of the projects as described in the Proposal, Grant Agreement, or approved modification if the costs in doing so are allowable, reasonable, and allocable as described in 2 CFR 200, Subpart E, as well as these Standards.

Grant and match funds may not be used for recurrent payments to landowners (unless under multiple-year agreements), research, non-project specific communications products or tours, travel of Government personnel, or other costs described as ineligible in these Standards, the U.S. Code of Federal Regulations, or other document incorporated into the Grant Agreement.

Grant and match funds may not be used to achieve objectives across multiple Federal awards without the written approval from the FWS Program Office. When multiple phases are funded under a single Federal award number, the recipient must be able to allocate funds and accomplishments to each phase of grant.

Unless a grant or match cost is explicitly allowed, the cost should be assumed to be ineligible unless otherwise informed in writing by the FWS Program Office.

### **2. Period of Performance**

The period of performance will be designated in the Grant Agreement and will last three years,

or as described in the Proposal as the length of time needed to complete the project, unless it is extended. The terms “project period”, “funding period” and “performance period” are considered synonyms for the period of performance.

Grant and match funds must be obligated during the period of performance, except any eligible pre-award or match costs (See Sections [D-3: Pre-Award Costs](#) and [D-4: Matching Funds](#)), which may be obligated prior to the funding period. A Recipient or subrecipient obligates funds (i.e., incurs costs) by placing an order, signing a contract, or receiving goods or services. All obligations must be paid in full within 120 days of the project period end date. For acquisitions of a real property interest, funds are considered obligated when costs are incurred at the time of closing/property settlement, and title is taken. All matching cash and eligible in-kind contributions must be obligated for the authorized purpose of the project by the end of the period of performance.

All obligations must be made, and work must be accomplished during the period of performance, although cash does not necessarily have to be disbursed by the end of that period. The Recipient must liquidate all obligations and ensure that the FWS Program Office receives a final report no later than 120 days after the end of the period of performance.

### **3. Pre-Award Costs**

Pre-award costs (2 CFR 200.458) are those incurred prior to the effective date of the Grant Agreement directly pursuant to the negotiation and in anticipation of the Grant Agreement where such costs are necessary for efficient and timely performance of the scope of work. Such costs are allowable only to the extent that they would have been allowable if incurred after the date of the Grant Agreement and only with the written approval of the FWS Program Office. If charged to the award, these costs must be charged to the first year of the award.

To qualify for pre-award cost reimbursement, recipients must demonstrate in the proposal that the pre-award activities are necessary and reasonable for accomplishing the overall program objectives and would have been approved had they occurred within the project period. Recipients should include in the proposal section “Pre-award costs”, a statement on whether pre-award costs are requested. Should a recipient request pre-award costs, a detailed explanation of why pre-award costs are necessary.

FWS authorizes pre-award costs only if such costs:

- (a) Do not exceed the amount of the grant funds as awarded in the Grant Agreement;
- (b) Are necessary to accomplish the objectives of the project by the end of the period of performance;



- (c) Have not been incurred before the date that FWS receives the Proposal from the Recipient (see Section [F-2](#) for costs incurred in purchase of real property); and
- (d) Are allowable to the extent that they would have been allowed if they had been incurred during the funding period.

For the purposes of NAWCA, pre-award costs are defined as costs that were incurred after a Proposal is received by the FWS Program Office and before a Grant Agreement is issued, and therefore they are incurred at the applicant's risk. Upon completion of a signed Grant Agreement, this section constitutes prior written approval for any pre-award cost that qualifies under its provisions.

FWS will not reimburse the Recipient for the purchase of real property interests if the interest is acquired before FWS receives the Proposal. At their own risk, however, the Recipient may contractually commit to purchasing the real property interest before FWS receives the Proposal, purchase the property interest after the Proposal is submitted to FWS, and be reimbursed by grant funds after the Grant Agreement is signed.

#### **4. Matching Funds**

- (a) **Eligible Match:** NAWCA Federal funding shall not exceed fifty percent of the total cost of the Project. The Recipient shall not incur costs to be charged to the FWS nor shall the FWS be obligated to reimburse the Recipient more than the funding obligated under the Grant Agreement. At least half of the funds used as match for a NAWCA grant must be from non-Federal sources and up to half of the match for any project may be from Canadian sources. Match funds must be used to accomplish the purposes of the Project and cannot have been previously used as required match for another Federally funded Project or purpose. At the end of Project, the total amount of non-Federal and Canadian match must equal the amount committed in the Proposal and must meet the source requirements described above. All match costs must be associated with an eligible activity. Matching costs must be allowable, reasonable, and allocable as required by 2 CFR 200, (Subpart E). Unless otherwise specified in these Standards, both grant and matching contributions are considered part of the project and subject to the same requirements. Any grant or match activity that is not supported by adequate documentation may be disallowed by the FWS Program Office.

Any Canadian-sourced funds that exceed 50% of the total matching funds are not eligible to be used as match.

- (b) **Excess Funds:** Any funds used to complete the project that were not eligible as match,

should not be included in annual or final reports. However, recipients may report non-match funds on the SF-429 forms under the Non-Federal share, as long as the recipient reports match and non-match independently.

## **5. Indirect Costs**

Indirect costs are allowable costs for both grant and matching funds. These costs must be calculated using an acceptable method including negotiated indirect cost rate, the 10% *de minimis* rate, or the direct allocation method (2 CFR 200.414). Requirements for development and submission of indirect cost rate proposals are contained in Appendix IV (Nonprofit organizations) to 2 CFR Part 200.

## **6. Program Income**

Program income means gross income earned by the non-Federal entity that is directly generated by a supported activity or earned because of the Federal award during the period of performance (2 CFR 200.307).

Either net or gross income should be calculated and reported. If the Recipient chooses, and if authorized by FWS, net program income may be determined by deducting the costs necessary for the generation of program income from the gross program income, provided these costs have not been charged to the award (2 CFR 200.307(b)). It is the Recipient's responsibility to identify these costs and to explain how they are calculated. Total or gross program income can be reported without additional calculations.

Program income may be used in three ways: deduction, addition, and cost sharing or matching (2 CFR 200.307(e)). Unless specified, the Recipient must use the additive method (adding the program income to the funds committed to the Grant Agreement). The Recipient may not use program income to satisfy their cost sharing or matching commitments.

Income generated by the Recipient outside of the funding period shall be retained by the Recipient. FWS encourages Recipients to use generated funds to support wetland conservation purposes consistent with the NAWCA program.

## **7. Disbursement**

NAWCA grant funds received that are more than \$10,000 must be disbursed by the Recipient within seven calendar days, and funds that are less than \$10,000 must be disbursed within 30 calendar days.

If a Recipient receives grant funds and is unable to disburse them as required, the Recipient must

return those funds to FWS as soon as possible.

## **8. Interest**

The Recipient must deposit Federal cash advances in interest-bearing accounts unless one of the following apply:

- (a) The Recipient receives less than \$120,000 in Federal assistance awards per year;
- (b) The best reasonably available interest-bearing account would not be expected to earn interest in excess of \$500 per year;
- (c) The depository would require an average or minimum balance so high that it would not be feasible with the expected Federal and non-Federal cash resources; and
- (d) A foreign government or banking system prohibits or precludes interest-bearing accounts.

When depositing Federal cash advances in an interest-bearing account, separate depository accounts are not required, but Recipients must be able to account for the receipt, obligation, expenditure of and interest on the funds (2 CFR 200.305(b)(7)(i)).

Interest earned on Federal advance payments deposited in interest-bearing accounts must be remitted annually to the Department of Health and Human Services Payment Management System. Interest amounts up to \$500 per year may be retained by the non-Federal entity for administrative expense (2 CFR 200.305(b)(9)).

## **9. Returning Funds**

If funds are to be returned to FWS, contact your FWS Program Office for instructions. Unless otherwise established in a Treasury-State agreement, contract, repayment agreement, or by statute, FWS will charge a penalty, pursuant to 31 USC 3717(e)(2), not to exceed six percent a year on the amount due on a debt that is delinquent for more than 90 days. This charge will accrue from the date of delinquency, which will generally be 30 days from the date that the demand letter is emailed, mailed or hand delivered.

## **10. Record Retention**

Financial records, supporting documents, and all other entity records pertinent to the grant must be retained for a period of three years from the date of submission of the final financial report, and must adhere to the requirements of 2 CFR 200.334. Records for real property and equipment

must be retained for three years after final disposition. The Federal awarding agency, Inspector General, the Comptroller General of the United States, and the pass-through entity, or any of their authorized representatives, must have the right of access to any documents, papers, or other records of the non-Federal entity that are pertinent to the Federal award, to make audits, examination excerpts, and transcripts. The right also includes timely and reasonable access to the non-Federal entity's personnel for the purpose of interview and discussion related to such documents.

Records pertaining to the acquisition of real property interests must be retained for the duration of the real property interest.

### **11. Pooling Funds**

Grant and match dollars may be combined, or "pooled," with non-match funds, provided that the actual uses of the funds are otherwise eligible. Grant or match funds in a pooled project must demonstrate a discrete project with a defined specific (identifiable) conservation result. Applicants are encouraged to direct all pooling questions to the FWS Program Office.

For reporting purposes, pooled funds must be clearly differentiated from any grant and/or match funds expenditures. If any non-match funds are included in the pooling, this should be disclosed on the SF-429 independently of match funds.

### **12. Currency Exchange Rates**

With prior written approval from the FWS Program Office, cost savings to the grant resulting from fluctuations in exchange rates may be used to further conservation objectives of the funded project. Otherwise, these funds must be returned to FWS. Cost savings may not be used on other Federal awards or phases.

Grant objectives should be achieved despite exchange rate fluctuations. If the ability to achieve objectives is compromised by extreme fluctuations in exchange rates, you must contact the FWS Program Office.

### **13. Payment Requests**

The process for requesting funds depends on the location of the bank where the electronically transferred funds will be directly deposited by the U.S. Treasury through the Department of Interior's International Business Center (IBC).

- (a) If the bank receiving funds by electronic transfers is outside the United States, your payments will be transferred through the International Treasury System (ITS) of the

U.S. Treasury. For each payment request, your organization must fill out two forms, at a minimum: SF-270, "Request for Advance or Reimbursement", and the Cover Page for each payment from IBC. These forms must be encrypted and emailed to the FWS Program Office with a short summary of expenditures by category as it relates to the payment request.

- (b) If the bank that receives funds by electronic transfer is located within the United States, all requests must include a form SF-270 and Cover Page. The form must be encrypted and emailed to the FWS Program Office with a short summary of expenditures by category as it relates to the payment request.

The following forms of funds must be spent before drawing down grant funds: rebates, contract settlements, audit recoveries and interest earned on such funds.

## **Section E: Equipment and Supplies**

### **1. Purchasing and Management**

A Recipient may purchase and manage equipment or supplies acquired under a Grant Agreement in accordance with the applicable cost principles.

If the equipment will have a useful life of more than one year, it is considered a capital asset and the intent to purchase such equipment should be disclosed within the Proposal. Title to all equipment acquired for the project will vest in the Recipient. Equipment must be used by the Recipient in the program or project for which it was acquired as long as needed, whether the project or program continues to be supported by the Federal award, and the Recipient must not encumber the property without prior approval. The equipment must also be made available for use on other projects or programs currently or previously supported by NAWCA if such other use will not interfere with the work on the project for which the equipment was originally acquired. Adequate maintenance procedures must be developed to keep property in good condition. See 2 CFR 200.313 regarding equipment management.

### **2. Inventory**

Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

A physical inventory of the property must be taken, and the results reconciled with the property records at least once every two years. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated. Adequate maintenance procedures must be developed to keep the property in good condition. If the Recipient is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

### **3. Disposal**

When equipment or supplies acquired with grant funds are no longer needed for the original project or for other activities currently or previously supported by NAWCA, equipment and supplies disposition will be as follows:

- (a) Equipment or residual inventory of unused supplies with a current market value of less than \$5,000 may be retained, sold, or otherwise disposed of with no further obligation to the FWS.
- (b) Equipment or residual inventory of unused supplies with a current market value more than \$5,000 may be retained or sold. If sold, FWS is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the FWS percentage of participation in the cost to acquire such equipment. Furthermore, if the equipment or residual inventory of unused supplies is sold, FWS may permit the Recipient to deduct and retain from the FWS share, \$500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.
- (c) In cases where a Recipient fails to take appropriate disposition actions, FWS may direct the Recipient regarding required actions. In such cases, FWS reserves the right to transfer title to a third party of its choosing, when such a third party is otherwise eligible under existing statutes.

## **Section F: Real Property Acquisition**

### **1. Prior Approvals**

On August 30, 2019, The Department of Interior (DOI) implemented the Financial Assistance Interior Regulation (FAIR) to meet the Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Grant funds may not be disbursed to acquire real property interests until the FWS Program Office has reviewed and approved the appraisal, or other approved property valuation method, the SF-429-B, and drafts of other real property documentation.

### **2. Incurring Costs of Acquiring Real Property**

Federal grant or matching funds may be used to pay for the following costs of acquiring real property:

- (a) The market value of the interest in real property;
- (b) Real property valuation. Land must be appraised by an independent real property appraiser licensed or certified in Canada in accordance with Canadian appraisal standards or with International Valuation Standards when such appraisals are available and financially feasible. Otherwise, the Recipient may use the most widely accepted business practice for property valuation in Canada and provide the FWS Program Office a detailed explanation of the methodology used to determine value for review and approval;
- (c) Title insurance (types and extent of coverage must be in accordance with sound business practice and the rates and premiums must be reasonable under the circumstances);
- (d) Recording fees, transfer taxes, documentary stamps, evidence of title, boundary surveys, legal descriptions of the real property, and similar expenses incidental to conveying the real property to the Recipient, however the Recipient may not use grant or match funds to pay costs solely required to perfect the owner's title on the real property;
- (e) Penalty costs and other charges for prepayment of any preexisting recorded mortgage entered in good faith encumbering the real property; and
- (f) The pro-rata portion of any prepaid real property taxes which are allowable to the period after the Recipient obtains title to the property or effective possession of it, whichever is earlier (taxes for which exemptions are available are unallowable).

Costs are incurred at the time of transfer of title. The Recipient's contractual obligation to purchase real property does not constitute a cost incurred by the Federal government. A contractual obligation to purchase real property (purchase agreement, etc.) may be made at any time and, if the title is transferred after the Proposal is received by FWS, the costs associated with the purchase can be reimbursed with grant funds. However, if the title is transferred before FWS received the Proposal, costs associated with the purchase may only be used as match and cannot be reimbursed with grant funds. Any obligation to purchase property before Federal grant funds are obligated is made at the Recipient's risk. Regardless of when an obligation is signed, all purchases of real property must comply with all Federal regulations, including but not limited to requirements specified.

### **3. Conservation Easements**

The FWS Program Office must review the language of a conservation easement and provide written approval before grant funds may be used for its purchase or associated match funds may be applied to the project. Recipients must obtain additional approval from the FWS Program Office for any changes to previously approved language in an easement. Easements without approval from the FWS Program Office may be disallowed as grant or match activities.

#### **4. Condemnation Proceedings**

All real property interests acquired, whether funded by grant funds or as match, must be from willing sellers. Condemnation proceedings may be used only when necessary to assist in determining the legal owner.

#### **5. Appraisals**

Land must be appraised by an independent real property appraiser licensed or certified in Canada in accordance with Canadian appraisal standards or with International Valuation Standards when such appraisals are available and financially feasible. Otherwise, the Recipient must use the most widely accepted business practice for property valuation in Canada and provide the FWS Program Office a detailed explanation of the methodology used to determine value.

The appraisal must provide valuation of the specific interests to be included in the project. Should an appraisal include land or acreage not to be included in the project, the recipient may not calculate a subset of acres within the appraisal using the cost per acre valuation. Instead, any portion of the property to be excluded from the project should be identified and appraised separately, allowing for the acres to be readily excluded from the overall valuation of the property. The acres appraised must match the acres in the performance reports and on the SF-429 forms.

#### **6. Market Value**

The Recipient may not use grant or matching funds to pay more than fair market value for any real property interest.

#### **7. Mineral Rights**

FWS can approve the acquisition of a fee title, lease, or conservation easement on properties where a third party will hold the mineral rights if:

- (a) The likelihood of mineral extraction is extremely low; or
- (b) The risk of mineral extraction interfering with the purpose of the acquisition is negligible.



If FWS is unsure of the likelihood of mineral extraction or of the potential for extraction interfering with the purpose of the acquisition, FWS may require the Recipient or applicant to submit a supplemental Mineral Assessment Report as a condition of the award. The FWS Program Office must approve in writing a request to use grant funds to obtain a Mineral Assessment Report. An appraisal may include mineral interest if mining or other forms of extraction are not taking place on or near the property. Appraisers must obtain the services of specialized consultations if they cannot complete the assignment competently.

## **8. Water Rights**

The acquisition of water rights, either alone or in connection with the acquisition of land, may only be approved if there is a direct benefit to wetlands. Official documentation of the water rights from the government agency that controls water appropriation, as well as an Application for Water Rights, Application to Appropriate Water, or an equivalent document will be required within the first annual performance report.

## **9. Value of Timber**

An appraisal may include timber value. Appraisers must obtain the services of specialized consultants if they cannot competently complete the assignment. A timber appraisal in addition to or separate from the real estate appraisal cannot be used.

The value of timber may only be accounted for if there is no intent to commercially harvest the timber. This does not include any timber harvested resulting from the management of the property according to a written management plan reviewed and approved by the FWS Program Office. Any timber harvested during the period of performance may qualify as program income ([D-6: Program Income](#)).

## **10. Recording Documents**

### **(a) Required Documents**

The Recipient must submit the following documents for each interest in real property purchased with grant or match funds, or provided as a matching in-kind contribution:

- i. Appropriate evidence of valuation of real property. If an appraisal is used, include the appraiser's signed certification and appraisal summary. If an approved alternate valuation method is used, provide a detailed explanation of the methodology used to determine value.
- ii. SF-429-B Real Property Status Report, Attachment B (Request to Acquire, Improve or Furnish) and SF-429 Cover Page. These documents must be sent to

and approved by your FWS Program Office prior to acquiring a property with grant funds.

- iii. A copy of the closing statement (also called the settlement or adjustment sheet) or other evidence of funds transferred.
- iv. A copy of any deed, easement, or other recorded property document (copies must demonstrate that the documents were signed and recorded within the appropriate government lands record office). These documents cannot be drafts or unrecorded copies.
- v. Real Property Status Report SF-429-A and with Cover page must be completed for all grant and match acquisitions (fee and easements) and submitted only with the final report. FWS only needs one SF-429-A for a project. If a Recipient has multiple acquisitions, it is acceptable to add the tracts on a table and submit it with the final report. At a minimum, the table should include tract number, description, location, acreage, the duration of protection, type of Federal interest (fee title, conservation easement, lease, etc.), grant funds invested, match funds invested, non-match funds invested, total appraised value, and the entity that will hold title.

#### **(b) Requirements of Recording Documents**

- i. It is imperative the FWS Program Office receives recorded copies of property documents with values and acreages that are clearly identifiable and align with what is being reported in the annual and final reports, as well as the SF-429 forms. Appraisal acreages must match the accomplishment acres being reported in the performance reports. In cases where an appraisal is completed on multiple tracts, the Recipient must create a memo with a written explanation that identifies the acreages, financial values, parcel identification and land descriptions, so it is readily apparent how much was paid for the real property interest, how the value was determined, the acreages coming into the NAWCA project, and location. The FWS Program Office may disallow costs that are not supported with documentation or are not easily identifiable.
- ii. The final signed and dated version of reporting documents must be submitted to the FWS Program Office.

### **Section G: Modifications**

#### **1. Approvals**

The Recipient must obtain the prior written approval by the FWS Program Office in any of the following situations:

- (a) Changes in the purpose and scope of the project;
- (b) Changes in key personnel;
- (c) Any extension of the period of performance. Extension requests require written notification to the FWS Program Office at least 10 days before the expiration date specified in the Grant Agreement with the supporting reasons and a revised expiration date no more than 12 months in the future;
- (d) Additions to, deletions from, or substitutions for the specific sites targeted for acquisition, habitat restoration, habitat enhancement, or habitat establishment, including initial identification of the specific sites which will be acquired, where such parcels or interests were not identified in the Proposal. Such additions or substitutions require documentation listed under [H-1](#) of this document;
- (e) Changes to the boundaries of the area within which sites will be selected for acquisition, restoration, enhancement, or establishment (project area);
- (f) Changes in the restoration, enhancement, or wetland establishment techniques or specifications (e.g., the species or the number of seedlings to be planted);
- (g) Changes in the proposed titleholder of any interest in real property purchased, donated, or otherwise acquired for the project;
- (h) Any change in the number of acres acquired, restored, enhanced or established as described in the NGA;
- (i) Any change in the number of years of benefit to acres acquired, restored, enhanced or established as described in the NGA;
- (j) Any change in the total amount of financial matching contributions committed to the project;
- (k) The inclusion of costs that require prior approval in accordance with the applicable Federal Cost Principles (Subpart E, 2 CFR 200);
- (l) The acquisition of equipment with a useful life of more than one year that has not yet been approved;

- (m) The transfer of funds from a direct cost category to indirect costs or the transfer of funds from construction to non-construction, or vice versa;
- (n) Addition of match partners to the project; or
- (o) Budget and program plan revisions, even if planning to achieve above and beyond the proposed objectives. This includes shifting funds from one budget category to another and any anticipated overachievement of conservation objectives.

It is important to note when a modification includes an increase in acreage from what was proposed, the Recipient is expected to achieve the new acreage cited within the modified NGA.

## **2. Extensions**

Any Recipient may request an extension of the expiration date of the award of up to 12 months unless one of the following conditions apply:

- (a) There is a change in key personnel;
- (b) The terms and conditions of the NGA prohibit the extension;
- (c) The extension requires additional Federal funds;
- (d) The extension involves any change in the purpose or scope of the project; or
- (e) The Recipient is not in compliance with the NGA.

Extensions may not be exercised merely for using unobligated balances.

A Recipient may be given an additional extension of up to twelve (12) months to complete a project only if compelling reasons are provided. In general, rationale for any extension must include confirmation that the project will still succeed, that the to-date failure is no fault of the Recipient, and that the extension will result in a benefit to the Federal government. A grant may not be extended beyond five years unless there are extenuating circumstances beyond the Recipient's control, which will be reviewed and approved by the FWS Program Office on a case-by-case basis.

To obtain a project extension, the Recipient must submit the request through GrantSolutions, describing the reasons, at least ten (10) days before the expiration date specified in the Grant Agreement.

## **3. Documentation**

Modification requests must include a written justification, an updated summary of expected outcomes (acres, grant/match costs) for the project, and an updated work plan, if applicable.

## **Section H: Reports and Other Documentation**

### **1. Pre-Award Documentation**

Once the Migratory Bird Conservation Commission has selected projects to be funded, any revisions to the proposal must be reviewed and approved by the FWS Program Office before the Grant Agreement can be executed.

### **2. Annual Reports**

Annual performance and financial reports must be submitted to the FWS Program Office 90 calendar days after the interim report end date through GrantSolutions.

Annual financial status must be reported on Standard Form (SF-425), which must be completed in GrantSolutions; these are called Federal Financial Reports (FFR) in GrantSolutions. The first annual financial report must include all project-related financial activity from the date the Proposal was received by the FWS Program Office to the end of the annual performance period (see table) and should include any approved and eligible match and pre-award costs.

Annual performance reports, called Project Performance Reports (PPR) in GrantSolutions, must include the following information:

- (a) Comparison of actual (grant and match) accomplishments with proposed objectives for the project from inception to the end of the reporting period in question (i.e., not only for the previous year);
- (b) A budget table comparing proposed and cumulative actual grant and match expenditures by partner (including Recipient and NAWCA funds);
- (c) A tract by tract summary of accomplishments and grant and match expenditures for all categories of activities under the grant (acquisition, enhancement, management, stewardship).
- (d) A comparison of the acres achieved compared to the acres described by category, and an explanation of any differences; and
- (e) A written narrative that clearly describes the status of the work completed, underway, or yet to be initiated under the Agreement. This narrative should provide enough detail

that it is easily understood what activities are being completed under the Federal award.

<b>Award Performance Start Date</b>	<b>Annual Interim Reporting Period End Date</b>	<b>Annual Interim Report Due Date (90 days after report end date)</b>
Jan 1	Dec 31	Mar 31
Apr 1	Mar 31	Jun 29
Jul 1	Jun 30	Sep 28
Oct 1	Sep 30	Dec 29

### **3. Quarterly Reports**

If the Recipient is considered to be an elevated risk, quarterly financial and or performance reports may be required during the entire project period. Quarterly financial reports may be required if the option to request advances is requested, even if the option is not exercised. In addition, if quarterly reports are required, a quarterly financial report must be submitted each quarter regardless of whether any grant funds were expended during that quarter. Quarterly financial reports must be submitted no later than 30 calendar days after the last day of each reporting quarter period. Federal cash transactions must be reported quarterly on the SF-425 (sections 1-9, 10 a-c, and 13) and e-mailed to the FWS Program Office. If any grant funds have been drawn down but not expended, an explanation of how long the funds have been retained and why must be entered in Section 12.

### **4. Final Reports**

A final financial report (also called SF-425 and FFR) and performance report (PPR) must be completed in full, as applicable, and received through GrantSolutions within 120 days of the end of the period of performance. Final performance reports must include all information required within an annual performance report through the entire project period and a written narrative that clearly describes all the work completed under the Federal award.

In addition, the final performance report must include a tract table with proposed and actual acreage accomplishments, and an explanation of any approved substitutions or modifications. At a minimum, the table should include the longevity of protection, type of Federal interest (fee, conservation easement, lease, etc.), tract name, location, number of acres, appraised value, entity that will hold title, and grant and match funds utilized. The location information must include latitude and longitude (lat/long) information for properties involved in the project. The coordinates should be taken at the centroid of the property using NAD 83 datum and reported in decimal degree format.

The Recipient must submit the following with the final performance report:

- (a) Complete shapefiles in geospatial vector data format for geographic information

systems software (GIS), or in KML format, that describe all interests in real property that the Recipient or match provider purchased, restored, enhanced, or established with grant or matching funds or accepted as in-kind matching contributions as part of the project. Recipients should use WGS 1984 projection data if possible;

- (b) Real property acquisition documentation not already provided with the Proposal or annual reports;
- (c) SF 429-A (with Cover page) for all grant and match acquisitions (fee, easements, and leases). The 429-A should have all applicable fields completed. Projects with multiple acquisitions can be reported using one 429-A by attaching a table with all the following information on each tract: period and type of Federal interest, tract name, location, and number of acres.
- (d) An inventory of all equipment acquired by the Recipient with Federal funds; and
- (e) An inventory of unused supplies, if the total aggregate value upon completion of the project exceeds \$5,000.

Failure to submit timely reports constitutes noncompliance with the Grant Agreement and can result, after notification by FWS, in consequences described in Section [J-2](#), [4](#), or [5](#).

## **5. Property Documentation Submission**

Real property documentation must be submitted with Annual or Final Reports for any transactions completed during the reporting period. Note that appraisals and the SF-429-B (for acquisitions purchased with grant funds) must be submitted to and approved by a FWS Program Office prior to purchase of a property.

## **6. Federal Funding and Accountability Transparency Act (FFATA)**

The FFATA Subaward Reporting System (FSRS.gov) is the system that allows grant award and contract award recipients to electronically report their subaward activity. Recipients must report using their UEI number, and the UEI number(s) of the subawardee(s), the names and total compensation of the five most highly compensated officers of the entity if the entity in the preceding fiscal year received 80 percent or more of its annual gross revenues in Federal awards; and \$25,000,000 or more in annual gross revenues from Federal awards; and the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 USC 78m (a), 78o (d)) or section 6104 of the Internal Revenue Code of 1986. See FFATA 2(b) (1).

In addition, Recipients must report the following information related to each subaward if the Federal award amount is equal to or over \$25,000 at any time during the project period:

- (a) Name of the entity receiving the award;
- (b) Amount of the award;
- (c) Information on the award including transaction type, funding agency, Catalog of Federal Domestic Assistance number, program source, and award title descriptive of the purpose of each funding action;
- (d) Location of the entity receiving the award and primary location of performance under the award, including city, state, congressional district, and country; and
- (e) Unique identifier of the entity receiving the award and the parent entity of the Recipient, should the entity be owned by another entity.

Recipients must report executive compensation and subaward information by the end of the month after the subaward was made. For example, if a subaward was made on December 18, the information must be entered by January 31. For more information about FFATA reporting please see <https://www.fsr.gov/>.

## **7. Extending Report Deadlines**

Annual and final report deadlines may be extended for up to 30 days if a request is made by the Recipient in GrantSolutions before the deadline and approved by the FWS Program Office.

To request an extension, the Recipient must submit a request to the FWS Program Office in GrantSolutions with the supporting reasons and revised expiration date at least ten (10) days before the expiration date specified in the Grant Agreement.

## **8. Record Retention**

See [Section D-10: Record Retention](#).

## **Section I: Property Management**

### **1. Continuing Obligations**

- (a) **Management:** A Recipient or other authorized titleholder of real property acquired through a Grant Agreement must manage any interests in real property consistent with the project's purpose for the period specified in the Grant Agreement.



- i. Land protection projects: Protection projects are those that acquire properties or land rights, or implement other legal mechanisms, to protect property for the conservation of migratory bird habitat, such as concessions, contracts, leases, easements, or conservation agreements. These mechanisms are long-term only if they cover a period of at least ten (10) years. Protection of properties must include the monitoring and management of the habitat for the duration of time committed to the protection, even beyond the grant period.
- ii. Restoration or Enhancement Projects: The Recipient or authorized titleholder must manage restored or enhanced real property consistent with the purpose of the Agreement. Funds (grant or match) may not be used for restoration or enhancement if there is no underlying, long-term, legal protection for every acre to be restored or enhanced. The Recipient may propose that the interest in real property is no longer needed for the purposes of the project, however, the Recipient or other authorized titleholder is prohibited from managing the property in a manner inconsistent with the purposes of the project unless it obtains written permission from the FWS Program Office.

**(b) Monitoring and Reporting:** This requirement applies to all acquisitions in which the U.S. Federal government retains an interest, i.e., tracts acquired under a NAWCA grant, including acquisitions funded completely with matching funds. For real property with a federal interest lasting less than fifteen (15) years, the Recipient must submit a real property status report (SF-429-A and Cover Page) on January 15 every year for the life of the federal interest. For real property with a federal interest extending fifteen (15) years or longer, the Recipient must submit a real property status report (SF-429 –A and Cover page) according to the schedule below.

- i. Real Property Reporting Schedule:

Grant Closure Date	SF429 Due Dates (Acquisitions less than 15 years)	SF429 Due Dates (Acquisitions greater than 15 years)
January 15, 2020 – January 14, 2025	January 15 <sup>th</sup> of every year for the life of the property.	January 15, 2025, then every five years therefore for the life of the property.
January 15, 2025- January 14, 2030	January 15 <sup>th</sup> of every year for the life of the property.	January 15, 2030, then every five years thereafter for the life of the property.

- ii. Organizations with multiple acquisitions can report using one SF-429-A. If

reporting multiple grants, at a minimum, a table should be attached with the following information: Federal grant number, tract name, location, number of acres, description, the duration of protection, type of Federal interest (fee title, conservation easement, etc.), grant funds invested, match funds invested, non-match funds invested, total appraised value, and entity that will hold title.

- iii. It is the responsibility of the Recipient to ensure that all acquisitions are reported. Reports are to be emailed to [dbhc@fws.gov](mailto:dbhc@fws.gov).
- iv. Financial records, supporting documents, and all other non-Federal entity records pertinent to real property and equipment must be retained for 3 years after final disposition.

## **2. Disposals**

Except as specified in the NGA, the Recipient or other authorized titleholder of interests in real property acquired with Federal grant or matching funds may not encumber, sell, or otherwise transfer the interest in real property, or any part of the same, without the approval of the FWS Program Office. Should the sale of the property be approved, an attributable share may be owed to FWS. However, if the interest in the real property is an easement or a lease with a term that is less than perpetual, the obligation to seek FWS Program Office permission will end with the expiration of the term of the easement or lease.

An SF-429-C Real Property Status Report Attachment C (Disposition or Encumbrance Request) and SF-429 Cover Page must be submitted to the FWS Program Office before selling, conveying, or further encumbering and real property acquired as part of a NAWCA or NMBCA project.

## **Section J: Noncompliance**

Any instance of a failure to comply with one or more of the terms and conditions of the Grant Agreement, including any approved modification of the Grant Agreement, constitutes noncompliance.

### **1. Evaluation**

Before determining consequences of noncompliance, the FWS Program Office will evaluate and consider the following:

- (a) Whether the noncompliance is deemed to be intentional or repeated;
- (b) The impact on natural resources;

- (c) The impact on the project and associated Federally-assisted projects;
- (d) The impact on project partners;
- (e) The impact on the buyers and sellers of real property interests that are part of, or affected by, the project;
- (f) The need for immediate action to protect the public's interest;
- (g) The harm or benefit to the Federal government; and
- (h) Whether there are mitigation factors.

## **2. Consequences**

After completing the evaluation, the FWS Program Office may apply one or more of the following remedies because of noncompliance with the NGA:

- (a) Temporarily withhold cash payments pending correction of the deficiency by the Recipient or more severe enforcement action;
- (b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance;
- (c) Wholly or partly suspend or terminate the Federal award;
- (d) Initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal awarding agency regulations;
- (e) Withhold further Federal awards for the project or program; and
- (f) Take other remedies that may be legally available.

Additionally, non-compliance may result in being placed on a list of recipients who are unable to comply with the terms and conditions of the NGA, resulting in the implementation of Special Conditions or even disallowance of future awards.

## **3. Grounds for Special Conditions**

Special conditions may be imposed during the period of performance if the FWS Program Office encounters any of the following concerns with a Recipient:

- (a) Demonstrated unsatisfactory performance;
- (b) Is not financially stable;
- (c) Has a management system that does not meet the standards prescribed in 2 CFR 200.302;
- (d) Has failed to comply with the terms and conditions of a previous NGA;
- (e) Is in noncompliance with the terms of the current Grant Agreement; or
- (f) Is not otherwise responsible.

#### **4: Special Conditions**

If appropriate grounds exist to impose special conditions during the funding period, the FWS Program Office may apply any of the following:

- (a) Allow only reimbursement of funds (advances will not be considered);
- (b) Withhold permission to proceed to the next phase of the project until Recipient provides evidence of acceptable performance within a given funding period;
- (c) Require additional or more detailed financial and performance reporting;
- (d) Require additional project monitoring;
- (e) Require the Recipient to obtain technical or management assistance; and/or
- (f) Require that prior approval be obtained from the FWS Program Office before implementing one or more aspects of the project or Grant Agreement.

#### **5. Debarment and Suspension**

Debarment or suspension may be imposed, through appropriate regulatory methods, because of any of the following circumstances:

- (a) Indictment for or conviction of, civil judgement, or other official findings for:
  - i. Commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public or private agreement or transaction;

- ii. Violation of Federal or state antitrust statutes, including those prescribing price fixing between competitors, allocation of customers between competitors, and bid rigging;
  - iii. Commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statement, receiving stolen property, making false claims, or obstruction of justice; or
  - iv. Commission of any other offense indicating a lack of business integrity or business honesty that seriously and directly affects the present responsibility of a person.
- (b) Violation of the terms of a public agreement or transaction so serious as to affect the integrity of an agency program, such as:
- i. A willful failure to perform in accordance with the terms of one or more public agreements or transactions;
  - ii. A history of failure to perform or of unsatisfactory performance of one or more public agreements or transactions;
  - iii. A willful violation of a statutory or regulatory provision or requirement applicable to a public agreement or transaction.
- (c) Any of the following causes:
- i. A non-procurement debarment by any Federal agency taken before October 1, 1988, or a procurement debarment by any Federal agency taken pursuant to 48 CFR subpart 9.4, before August 25, 1995;
  - ii. Knowingly doing business with a debarred, suspended, ineligible, or voluntarily excluded person, in connections with a covered transaction, except as permitted in 2 CFR 200.213.
  - iii. Failure to pay a single substantial debt, or a number of outstanding debts (including disallowed costs and overpayments, but not including sums owed to the Federal government, under the Internal Revenue Code) owed to any Federal agency or instrumentality, provided the debt is uncontested by the debtor, or if contested, provided that the debtor's legal and administrative remedies have been exhausted;
  - iv. Violation of a material provision of a voluntary exclusion agreement entered into under 43 CFR 12.315, 2 CFR 200.113, or any settlement of a debarment or

suspension action; or

- v. Violation of any requirements of the drug-free workplace requirements for grants, relating to providing a drug-free workplace, as set forth in 43 CFR 12.615, 2 CFR 182.

- (d) Any other cause of so serious or compelling a nature that it affects the present responsibility of a person.

## **Section K: Audits and Monitoring**

### **1. Right to Access**

The FWS, Inspector General, Comptroller General of the United States, and the pass-through entity, or any of their authorized representatives, must have the right of access to any documents, papers, or other records of the non-Federal entity, including subawardee(s), which are pertinent to the Federal award, to make audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable access to the non-Federal entity's personnel for the purpose of interview and discussion related to such documents.

FWS must also have access to complete records substantiating compliance with any applicable Federal or program level financial, administrative, and property requirements. These records must be made available for review if requested by FWS.

The right of access to real property acquired or conserved by the project is not limited to the required retention period ([D-10](#)) but lasts as long as the records are retained.

### **2. Right to Monitor and Audit**

The FWS Program Office and other FWS personnel may inspect and monitor real property, equipment, or supplies acquired with grant or match funds (including in-kind matching contributions) as part of the Grant Agreement, or habitat restored, enhanced, or established under the Grant Agreement. The purpose of such inspections will be to ensure that the real property, equipment, supplies, or habitat is being used or managed for the purpose, and consistent with the terms, of the Grant Agreement. The right of access to real property, equipment, or supplies acquired as part of the Grant Agreement will terminate:

- (a) Once the real property, equipment, or supplies have been legally disposed of;
- (b) When FWS has approved a request that such real property, equipment, or supplies will no longer be used for the purpose of the Grant Agreement; or

- (c) When the management term as defined in the Grant Agreement expires, regarding leases, easements, restoration, enhancement, and wetland establishment actions.

## **Section L: GrantSolutions**

GrantSolutions (<https://www.grantsolutions.gov/>) is a Federally shared service for grant and management programs to support Federal agencies throughout the entire grant lifecycle. All applicants/grantees are required to be registered in and use GrantSolutions to implement the Federal award.

### **1. Roles**

Applicants must properly set up a GrantSolutions account and obtain the correct user roles within the system. NAWCA requires grant recipients to have the following roles:

- (a) Principal Investigator / Program Director (PI/PD)
- i. Views, initiated edits, and submits applications and amendments.
  - ii. Enters FFR data and submits FFR.
  - iii. Adds and views application and grant correspondence notes and uploads related files.
  - iv. Has access to grants assigned to as a PI or PD.
  - v. A grant can have more than one PI/PD assigned to it, however the person listed on the application is considered key personnel.
- (b) Administrative Official (ADO/GAO)
- i. Listed as the Authorizing Official on the NGA.
  - ii. Enters and submits FFR.
  - iii. Views, initiates, edits, and submits applications and amendments.
  - iv. Signs the SF-424 and authorizes the organization's commitment to the Federal award.
  - v. Adds and views application and grant correspondence notes and uploads related files.

- vi. Has access to grants for the organization.
- vii. This person must have their organization's authority to have this role.

## **2. Closings**

Closing of grants can only be performed if annual and/or final reports (PPR/FFR) have been uploaded in GrantSolutions.



## **APPENDIX I: NAWCA Canada Definitions and Eligibility Criteria**

### **DEFINITIONS**

Grant Agreement is the legal instrument of financial assistance that the NAWCA Program uses to provide funding to a recipient for an approved proposal.

Project refers to a defined scope of work at the tract level (securement, enhancement, stewardship, management) within a grant agreement and associated proposal.

Programmatic Grants are a continuation and expansion of an existing grant agreement through the addition of funding from additional funding cycles. Programmatic projects cannot extend for more than 6 years and no more than four separate grant proposals may be incorporated into a single grant agreement (that is, no more than three new proposals would be added to an existing grant agreement).

Program refers to general or larger conservation efforts, for example NAWCA, NAWMP and Joint Venture efforts, that are not linked to a specific grant or project.

### **ELIGIBLE GRANT COSTS**

**All eligible costs must be directly linked to eligible acquired, enhanced, or managed acres at the project level that are completed during the project period.** Furthermore, all expenses must be:

- (a) Allowable: Must be necessary and reasonable for the performance of the Federal award, and meet the general criteria list in U.S. Code of Federal Regulations 2 CFR 200.403,
- (b) Allocable: A cost is allocable to a particular Federal award or other cost objective if the goods and services involved are chargeable or assignable to that Federal award or cost objective in accordance with relative benefits received. This standard is met if the cost is incurred specifically for the Federal award; benefits both the Federal award and other work of the non-Federal entity and can be distributed in proportions that may be approximated using reasonable methods; and is necessary to the overall operation of the non-Federal entity and is assignable in part to the Federal award. See 2 CFR 200.405 for more information regarding allocable costs.
- (c) Reasonable: A cost is reasonable if it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. Consideration in determining reasonable costs is listed in 2 CFR 200.404.

All costs must be adequately documented. All costs should be verifiable, with supporting documentation, as to the costs' allocability and reasonability.

## What are direct and indirect costs?

Direct costs can be identified with a specific project level service or activity.

Indirect costs are all other costs that have been incurred for common or joint objectives that cannot be readily identified with a particular service or activity and are calculated using a negotiated indirect cost rate or using the 10% *de minimis* method described below. Indirect costs are eligible only if an organization:

- (a) has a current Negotiated Indirect Cost Rate Agreement (NICRA) with an agency of the Federal government; or
- (b) will obtain a rate after the grant agreement is awarded by the U.S. Fish and Wildlife Service (Service); or
- (c) does not have a NICRA and will follow the 10% *de minimis* rule.

As described in §200.403 Factors affecting allowability of costs, costs must be consistently charged as either indirect or direct costs but may not be double charged or inconsistently charged as both. If chosen, this methodology once elected must be used consistently for all Federal awards until such time as a non-Federal entity chooses to negotiate for a rate, which the non-Federal entity may apply to do at any time.

The use of *de minimis* rates does not require the review and approval of the cognizant agency for indirect costs. Therefore, Indirect Cost Services does not provide approval of *de minimis* rates. For more information, visit: <https://www.doi.gov/ibc/services/finance/indirect-cost-contract-audit>.

Indirect costs may only be charged at the rate specified and during the period specified in the NICRA submitted to the FWS Program Office. Grantees must submit renegotiated rates during the project period if the NICRA submitted with the proposal expires during the project period.

Direct and indirect costs for goods, services, salaries, and labor associated with long-term migratory bird and wetlands conservation work are eligible grant costs when conducted in the periods:

- (a) between when the Service receives the proposal and the Federal award is issued if pre-award costs are approved (if the proposal is not approved for funding, the Federal government is under no obligation to pay for any costs incurred); or
- (b) after the Federal award is signed by the Service (during the project period).

In all cases, you may not obligate more grant funds than you are awarded.

## **What are eligible costs?**

The following expense categories are eligible grant expenses:

### **1. Acquisition / Securement**

The protection of wetland and / or upland habitat through land title transfer or binding long-term agreements with a landowner. These activities include fee-title acquisition and donation (transfer of title), crown land transfers, conservation agreements, conservation easements, Crown Designations, lease agreements, and cooperative land use agreements. Expenses including staff salary, travel, contracts, due diligence, and closing costs that are directly related to the acquisition accomplished during the grant period are eligible.

Projects must conserve wetland values in the long term. Conservation agreements for any tenure less than perpetuity may qualify as long-term project elements if:

- (a) they are likely to result in the landowner agreeing to a longer-term conservation agreement at the end of the initial agreement;
- (b) it is likely the landowner will continue the practice encouraged by the agreement; or
- (c) it is the maximum length of time that provincial, territorial, or federal law will allow, or the area is highly valued and present landowner will not support long term agreements.

The longest possible length of agreement should be pursued that is appropriate for the intended land management practice. For land to be considered secured, signed agreements with landowner must be a minimum of 10 years duration.

In situations when NAWCA grant and match funds are being pooled with non-matching funds to acquire a real property interest, a portion of the NAWCA grant and / or match funds must be applied directly to the property interest being acquired.

Organizations are encouraged to adopt and implement the practices and procedures described in the Land Trust Alliance's Land Trust Standards and Practices (available at <https://landtrustalliance.org/>).

Easement and lease conditions should address the following points:

- (a) Specifically ensure long-term wetlands and associated upland protection;
- (b) List all restrictions, allowed activities, and reserved rights and clearly demonstrate how those rights will complement long-term wetlands and associated uplands protection;
- (c) Be legally enforceable by organizations that can demonstrate ability or experience in enforcing easement terms;

- (d) Be recorded pursuant to local law;
- (e) Be held by or transferred to a conservation organization (conservation agency or non-governmental conservation organization); and
- (f) An easement should not include the right to pursue wetland or wildlife mitigation credits.

The acquisition must be completed before the end of the project period. Property acquisition costs are incurred at the time of transfer of title, not when signing a purchase agreement. Therefore, a contractual obligation to purchase real property (purchase agreement, etc.) may be made at any time and as long as the title is transferred after the proposal is received, the costs associated with the purchase can be reimbursed with grant funds.

All real property acquisitions must be from willing sellers.

The number of acquired acres must be verifiable and supported with legal documentation.

## **2. Enhancement**

Actions carried out on NAWCA secured wetlands and uplands, which increase the level of production, molting, staging or wintering waterfowl populations. Enhancement and restoration must be carried out on sites with underlying, long-term, legal protection mechanisms on every acre to be enhanced.

Enhancement activities include re-establishment actions (returning natural/historic functions to a former wetland resulting in a gain in wetland acres) or rehabilitation actions (repairing natural/historic functions of a highly degraded wetland resulting in no gain in wetland acres). Enhancement actions involve the manipulation of the physical, chemical and/or biological characteristics of a wetland site to improve specific functions of the wetland.

Eligible enhancement activities include material and supply costs, nest boxes, habitat islands, plantings and initial land management costs caused by the proposal (e.g., fencing), and similar efforts. Periodic repair and maintenance activities, such as replacement of same type of water control structures and reinforcement of existing berms, are not eligible unless those structures have reached the end of their designed useful life. In these cases, the recipient must inform the FWS Program Office which project it is, as well as which grant the work was formerly completed under, and must receive written permission before proceeding with that enhancement work.

NAWCA grant funding may be used on enhancement activities prior to securement with the requirement that grant funding for said enhancement would be subject to repayment by the grantee if securement is not obtained by the end of the period of performance.

Equipment costs must be secured by the most cost-effective and feasible method:

- (a) If equipment is rented or leased, use the cost of renting or leasing.
- (b) If equipment is purchased more than 2 years before the year that the proposal is submitted (i.e., equipment on hand), use either the depreciation or use-allowance method, but not a combination of the 2 methods.
- (c) If equipment to be used solely for the NAWCA project is purchased within the project period, use the full purchase price.
- (d) If equipment will be used outside of the NAWCA project, calculate, and use the cost relative to NAWCA only.

Once a project segment has been enhanced, future costs, such as fence repairs and adjusting water levels, are reported under “Management”.

### **3. Management**

Activities conducted on wetland and/or upland habitats that have been previously secured through NAWCA to manage and maintain their carrying capacity for wetland-associated migratory birds and other wildlife.

Management activities include control and manipulation of water levels, mechanical or chemical control of vegetation, materials, repairs and limited initial maintenance, maintenance of fencing and signage. Restoration of previously funded infrastructure is eligible when it is at the end of its useful design life or upon expiration of an agreement.

For wetland habitat, this activity includes managing water levels to maintain intended levels of production, molting, staging or wintering waterfowl populations. Some examples of eligible wetland habitat management activities are water drawdowns, back-floods, control operations, pumping, mechanical and chemical vegetation control, managed burns, operation, and maintenance of nesting structures such as nest tunnels and boxes, as well as project inspections, repairs, and maintenance of formerly completed projects.

For upland habitat, this activity includes actions necessary to maintain intended levels of production, molting, staging or wintering waterfowl populations after the project is developed. Some examples of eligible habitat management activities are managed burns, fertilizer application, contract cutting, and maintenance of fencing and signage.

Management costs are allowable under the following conditions:

- (a) Management Activities must be justified and reasonable;
- (b) Partners should classify and define what is Ongoing Management and insure that only the minimally required actions necessary to protect the investment for the long-term are included;

- (c) Recipients must have good accounting practices and must document the amount of grant and partner funds expended on activities; and
- (d) Partners should consider setting up a means to provide for management costs, such as dedicated trust funds.

Property tax expenses for NAWCA secured habitat is an eligible expense. However, for a given tract, the portion of property tax charged to NAWCA should not exceed the percent interest that NAWCA holds in the property.

#### **4. Stewardship**

Stewardship activities include agreements for less than 10 years and extension activities that result in applied land use changes and could result in long-term conservation actions.

Agreements for less than 10 years must implement practices that improve, manage, and maintain the carrying capacity for wetland-associated migratory birds and other wildlife. These one-time actions result in applied land use changes.

Extension activities do not have long-term legal or binding agreements. Even though there is no legal or binding agreement, the recipient still must provide some evidence to document the applied land use change or direct actions taken within the project period as a result of activities funded under this category.

#### **5. Other Functions**

These activities must be directly related to NAWCA project activities being implemented during the project period to be eligible and be described in the project proposal.

- (a) **Reconnaissance & Design**  
Reconnaissance is project specific biological, agricultural, and engineering planning and design activities that occur prior to an enhancement, management, or stewardship activity, such as soil sampling, surveying, and project design. To be eligible, the activities must be directly related to project activities (enhancement, management, or stewardship) that occur during the project period.
- (b) **Coordination**  
Includes costs that are directly related to NAWCA habitat project delivery and staff coordination at project levels. Provincial, joint venture, regional, national, or other coordination costs are only eligible as captured in an indirect cost rate agreement.
- (c) **Communications**  
Eligible only if the communications are specific to activities in the proposal (e.g., signs to identify partners involved in the securement of a parcel of land). General communications (about the Joint Venture, NAWMP, NABCI or to broaden

partnerships) and promotional events (even if project related) are not eligible.

(d) Evaluation / Assessment

Project directed studies to evaluate the results/effectiveness of project activities on the landscape and fine-tune future land treatments within existing NAWCA priority project areas. Project-specific environmental, biological, or social variables are eligible if they are directly related to wetland or associated upland conservation actions in the project. If a specific project requires an assessment component to successfully complete the project, that component should be designed as part of the overall project and reported with that project activity. To be eligible for grant or match, project directed studies must be included in the project proposal. All evaluation/assessment activities must be an integral part of the NAWCA project, not stand-alone assessments, or evaluation efforts.

## **6. Grant Administration**

Administering the NAWCA grant agreement and conducting work that cannot easily be assigned to other activity categories (i.e., annual/final performance and/or financial reports, modifications to the grant, communication with the FWS Program Office) and are not included in the calculation of your organization's NICRA.

## **7. Indirect Costs**

Costs that cannot be associated with a particular project objective. Indirect costs are those remaining to be allocated to benefitting cost objectives after direct costs have been determined and assigned directly to awards or other work. These costs are different from directly attributable administrative costs and must be supported by a NICRA approved by the Federal government for the applicable period, or by using the 10% *de minimis* rate. Any costs that are included in an indirect cost rate, or NICRA, may never be charged as a direct cost during the effective period of the indirect cost rate.

## **8. Accomplishment of Work**

Work to be accomplished must be done in the project area(s) defined in the proposal. The project area may be defined as:

- (a) area that is part of a wetland conservation plan;
- (b) areas in the same wetlands system (e.g., watershed or river basin);
- (c) areas that are managed to meet the same wetlands objectives;
- (d) areas that are in close proximity;
- (e) areas that provide direct benefits to each other; or

- (f) areas that are part of a pooled project with non-match funds, if the NAWCA portion is distinctly identified as an undivided interest of the total acres involved.

## **9. Work Prior to Submission Date**

For all activities, grant funds cannot be used for work completed prior to submission of the proposal or for costs incurred before the Service receives the grant proposal. The date that costs are incurred is when the following actions occur, irrespective of whether payment is made immediately or in the future:

- (a) take title to an interest in real property;
- (b) place an order or sign a contract; or
- (c) receive a service.

### **ELIGIBLE MATCH COSTS**

Generally, all items listed above as Eligible Grant Costs are also eligible as match costs. The following list describes certain additional conditions for costs to be eligible as NAWCA match. In some cases, these conditions allow certain costs to be eligible as match when the costs would not be eligible to be paid with grant funds. In all cases, the costs must be associated with an eligible activity. The match costs:

- (a) Must at least equal the grant request. At least half of the funds used as match for a NAWCA project must be from non-Federal sources and up to half of the match for any project may be from Canadian sources.
- (b) Must be non-Federal. Even if funds pass through a non-Federal entity, they retain their federal nature.
- (c) Must be documented by a signed and dated Partner Contribution Statements sent with the proposal.
- (d) Must be or have been contributed:
  - i. between the time when the Service receives the proposal, and the Notice of Award is signed (if pre-award funds are approved); or
  - ii. during the project period after receipt of the Notice of Grant Agreement (NGA).
- (e) Must not be reimbursed by NAWCA or by another organization claiming the expense as a match for the project, but instead must be permanently dedicated to a project proposal and committed by the proposal due date. For example, if an organization funds an acquisition but is later reimbursed by a different organization, the value of the acquisition can be counted as match only once (that is, only one of the two



organizations counts as contributing the match).

- (f) May include evaluation costs, only if results will be used to improve wetlands conservation activities at project sites during the project period. If evaluation covers areas outside of project sites, only the portion of those costs related to work on project sites is eligible.
- (g) May be donated title to real property where the donation increases resource values of the proposal or protection or management of wetlands and migratory bird values.
- (h) May be the fair rental value of loaned equipment.
- (i) Easement stewardship or endowment costs. Endowment funds are funds put aside for the management of NAWCA secured lands in the future. These funds must be placed in a dedicated account to be used for management / maintenance of NAWCA secured property. Endowment funds can be in a pooled endowment account with other properties, but the funds cannot be placed into general coffers, etc. Endowment funds are shown as “Other Functions” in both the executive summary and the full proposal. Endowment accounts used as match must be available for review by the FWS if requested. Base funds placed into an endowment / management account and claimed as match for a given project may not be claimed as match for future projects (i.e., when they are withdrawn and expended for actual management costs).
- (j) May not have been used as matching contribution for another U.S. Federal award.

**NOTE: unless a grant or match cost is explicitly allowed, the cost should be assumed to be ineligible unless otherwise informed in writing by the FWS Program Office. Contact FWS Program Office staff to discuss allowability of grant and/or match funds, policy requirements, and Code of Federal Regulations (CFR) explanations.**

### **INELIGIBLE GRANT COSTS**

**The following grant costs/activities are ineligible to be paid with NAWCA grant funds (these activities may be eligible as match under certain circumstances; see Eligible Match Costs):**

- (a) proposal planning and development costs, including experiments, studies, or other investigations to document resource values;
- (b) interest on a loan;
- (c) administrative salary costs incurred prior to grant execution (including for proposal development) and after the project period are not eligible for grant funding; and
- (d) Endowment funds

## INELIGIBLE GRANT AND MATCH COSTS

**The following costs/activities are ineligible to be paid with NAWCA grant funds or to be used as match:**

- (a) Program level activities or activities that cannot be attributed to a specific grant or project;
- (b) Actions that will put credits into wetland mitigation banks;
- (c) Indirect costs calculated on a base that is inconsistent with your organization's NICRA or 2 CFR 200;
- (d) Law enforcement;
- (e) Research, such as bird population surveys or species monitoring;
- (f) Evaluations or assessments that are stand-alone or that do not contribute to the targeting of habitat conservation for wetland-dependent migratory birds;
- (g) Training and education activities including materials, salaries and educational signage;
- (h) Fundraising;
- (i) The value of existing residences, structures, and buildings unnecessary for wetlands conservation purposes and the cost to construct, remove or repair;
- (j) Costs associated with building envelopes and non-habitat acres;
- (k) Observation towers, blinds, boat ramps, parking lots, roads, and other public access work;
- (l) Acquisition of vehicles (note that all-terrain vehicles are considered equipment if the acquisition cost is more than \$5,000 per unit);
- (m) Loss of income (e.g., lost grazing revenue);
- (n) Contingencies;
- (o) Non-project related activities such as outreach, celebratory events (even if project related), fact sheets, demonstrations, communications, landowner surveys, and press conferences;
- (p) Non-project related salaries and travel expenses;
- (q) An easement that is subordinate to a mortgage or lien;

- (r) Costs over the appraised value for lease, fee-title and easement acquisitions;
- (s) Short-term annual conservation activities, such as annual predator management;
- (t) Acquisition costs, salaries, travel expenses, and other costs associated with non-matching acquisitions;
- (u) Procurement, repair or service of Designated Unmanned Aircraft Systems;
- (v) Activities that benefit land use generally, but do not have a specific, identifiable on the ground accomplishment associated with the NAWCA grant at the project level;
- (w) Government relations or policy;
- (x) The portion of property tax that corresponds to non-habitat acres or improvements such as homes or agricultural infrastructure; and
- (y) Unsuccessful Prospecting. Prospecting refers to the process of identifying and engaging with potential landowners who may or may not have an interest in participating in a NAWCA project. Prospecting that leads to acres that are protected, restored, and/or enhanced during the period of performance, and are allocable to that particular award, is eligible.

**NOTE: unless a grant or match cost is explicitly allowed, the cost should be assumed to be ineligible unless otherwise informed in writing by the FWS Program Office. Contact FWS Program Office staff to discuss allowability of grant and/or match funds, policy requirements, and Code of Federal Regulations (CFR) explanations.**