

Non-Federal Match Sources for ESA Section 6 Non-Traditional Grants

Types of Funds that Cannot Be Used as Non-Federal Match

- **Funding from a federal source (See two exceptions-NRDAR and REPI).**
- **ANY mitigation money or land required for mitigation through federal law.**
- **Any type of advertising for the California Department of Fish and Game:** The Department cannot promote itself and use the promotion effort or items as non-federal match. However, CDFW may provide information on programs it offers to the public or explain programs (i.e., HCP/NCCP Planning) run by the Department. Providing signage on lands acquired with Section 6 funds and nonfederal match funds is acceptable and even desirable if it will not negatively impact the purpose for which the lands were acquired.

What Types of Things are Eligible as Non-Federal Match?

Whatever is deemed “necessary and reasonable” to achieve the objectives of the grant and/or to put together or implement a plan can be eligible as non-federal match. The cost assigned must adhere to the **Cost Principles** found in **2 CFR 200 Subpart E**. The value must be reasonable, verified by a State Administrative Manual or a standard salary rate for state or local positions for individuals who do a similar level of technical work.

For all non-federal matches: Clear, detailed documentation is a MUST. Original documentation is to be generated and retained at the local level. Detailed summaries of the original documentation must be provided to CDFW regional staff on a frequent basis. The more frequent the documentation is provided, the more frequently CDFW can draw federal funds. CDFW regional staff is responsible for tracking, documenting and keeping a file of non-federal match information (for each project/grant) as a backup to the local documentation. CDFW staff must keep a detailed table of expenses and make periodic comparisons with what the CDFW accounting office believes has been invoiced and paid under the project encumbrances (either contracts or other financial commitments).

Important Notice: The ONLY time costs (or match) can be claimed outside the grant period is when they are SPECIFICALLY stated in the proposal and the USFWS approves that pre-agreement cost (or match) in the Award Letter. This should be considered a "special" circumstance and not the normal situation. Additionally, any pre-agreement costs must be deemed "necessary and reasonable" to obtaining the objectives of the grant. This is always a judgment call by the USFWS Regional representatives, so get authorization prior to including any pre-agreement costs (or match) in your proposal.

HCP Planning Assistance Non-Federal Match Sources

- **Local Agency third-party in-kind:** This is the most frequently used type of non-federal match for HCP Assistance Grants. Typically it is the “lead” local agency that incurs the costs and documents the match. The in-kind would be assigned a value that is based upon actual expenditures or a comparable salary for personnel performing an equivalent level of technical work. This can also be contracted services (at the actual contract rate).
NOTE: If the grant funding is passed-through CDFW as a subgrant to the subrecipient, CDFW is not eligible for indirect charges on that portion of the grant. If CDFW is paying the local agency as a direct contractor, that portion of the funding IS eligible for indirect charges.
- **CDFW staff time (cost-share):** Anyone or anything that is “necessary and reasonable” and directly contributes to the accomplishment of the planning process. These can be volunteers as well as permanent staff. Staff time must be documented and signed by both the employee/volunteer and the Supervisor. Indirect may be

charged by the CDFW for staff time (cost share).

- **Staff time from other State/Regional/local/NGO entities (in-kind):** Other agencies/entities providing assistance (either technical or biological or planning) to HCP planning process. These entities can document actual time and expenses at their usual rates (document time, mileage to meetings, per diem, etc.). These entities must show actual expenses or use State or federal rates, and be consistent with the documentation throughout the life of the grant. Refer to the Cost Principles in 2 CFR 200 as to whether the entity may include indirect or benefits in with their calculated contribution.
- **Surveys:** Surveys that are necessary to the development of the HCP and that are not being funded by the grant or other federal funding sources.
- **Flyovers for GIS mapping, ground-truthing or verification:** This can be documented as actual expenditure or at a normal contracted rate.
- **EIR/EIS costs:** Funding that is spent for items that are beyond tasks that are grant-funded activities, but are necessary to complete the document and have it reviewed and approved.
- **Graphics:** Special graphics necessary for presentations or inclusion in documents or for public outreach, which are not funded by the grant. These can be documented at actual cost to produce or at an equivalent staff level at an hourly rate.
- **Printing brochures:** The actual cost to print brochures about the HCP or the planning process, which are not directly charged to the grant.
- **Donated facility use:** Office space or meeting space can be allocated at a rental or lease rate based upon current market rate or a Department of General Services (DGS) rate. If current market rate is used, it will need to be justified and documented.
- **Scientific advisors' time beyond the contracted amount:** Scientists and economists are often provided stipends to participate on special working groups and committees. They often spend time far in excess of that which the stipend is meant to cover. In this situation, an agency may use the "Contractor's normal hourly rate" to determine a value beyond what is covered by the stipend. This would be based upon the experts' documentation of their excess hours and their normal rate of reimbursement.
- **Science advisors' stipend:** Stipends not paid by federal money may be used as match.
- **Use of non-federal academics and researchers:** Contracted academics and researchers may accept payment is at a discounted rate (or negotiate a lower overhead rate), based on their normal value for their time or speaker's rate. The difference between their normal and discounted rate in pay can be used as a nonfederal match. (Reminder – documentation is a must!) **Caution:** You should ensure that the discounted amount is NOT being recovered by the Indirect Rate that is charged by the research institution's approved Indirect Cost Rate Proposal (ICRP).

HCP and Recovery Land Acquisition

- **Staff-time working on the land acquisition:** Time spent by CDFW and Wildlife Conservation Board (WCB) staff on the project would need to be documented and signed by the biologist or land agent and their supervisor. For NGOs it would be their actual time spent (verified by supervisor) and either valued at their normal rate of pay with benefits or valued at an equivalent State employee position. Documentation should be provided to WCB in order to be valued when drawing the federal funds and to be reported in the Final Financial Status Report. Refer to 2 CFR 200 for whether or not to include benefits.
- **Appraisal, escrow and closing costs:** These can be actual amounts expended at the end of the project or an estimate from the land agent for closing costs per acre. These estimates can be included in the proposal as the non-federal match that will be used for the acquisition. The actual costs will need to be documented at the end of the grant.
- **Land (non-mitigation):** Land used as match must have a recent (less than 12 months) appraised value and must have a logical link to the properties to be acquired under the grant. For example, the match land must be documented to show species' biological needs or comprise a logical habitat connection between properties that support a reserve

system. There are additional requirements to use land as match that must be adhered to. Check with USFWS prior to pursuing the use of land as match (see contact information below).

- **Required pre-acquisition and -agreement costs:** According to State purchasing requirements, certain documentation must be completed prior to an acquisition being completed. This may include a Phase I Environmental Assessment, Cultural Resources records search and surveys, etc. If these costs are expected to occur prior to the grant being obligated, the items of expenditure must be specifically named in the proposal as “pre-agreement costs” and a specific dollar amount must be indicated. The acquisition of the land may NOT be included in this category.
- **Biological surveys:** Biological surveys may be conducted prior to proceeding with an acquisition in order to verify the resources are on the lands to be acquired.
- **Other activities that are “necessary and reasonable” to complete the acquisition:** This would include items of expenditure that occur during the grant period. If costs are to be incurred by CDFW/WCB or partners and to be used as match prior to grant being awarded, the items must be included in the proposal and the tasks and associated costs must be specified.
- **Start-up management costs for the acquired property:** In order to be eligible as match, costs must be incurred and documented as being spent during the grant period.
- **Non-federal endowment funds for property management:** Endowment funds can be provided by the State, local agencies or by NGOs. To be eligible as non-federal match, the funds cannot be from a mitigation funding source and must also be from a non-federal funding source. If the endowment is from a mix of funding sources, it is possible that some of the value is eligible for use as match, if the eligible funding is clearly documented.
- **CDFW staff time spent on natural resource verification, and conservation easement, appraisal and document review:** CDFW staff must document time spent in their planner or calendar. It should also be noted on their timesheets and signed by the CDFW staff and their supervisor. Staff must track their time (and its value) in a way (spreadsheets are great) that can be provided to CDFW Headquarters, to be transmitted to WCB (the land agent and fiscal officer) to allow the draw of additional federal funds toward the land acquisition. This information will be needed for the Final Financial Status Report as well.
- **CDFW attorney time for review of land acquisition documents:** CDFW Regional staff may keep track of time spent by the CDFW attorney in review of legal acquisition documents. Attorneys are to charge an appropriate rate as match. This time should be documented by the attorney (such as in their daily planner or calendar) in order to assign a value to it. It should be appropriately documented and signed by the CDFW attorney.
- **CDFW staff time to visit property:** Staff should document the need for the site visit and may include travel and per diem costs. If a particular type of vehicle is necessary to access the property, an appropriate actual or DGS rental rate should be applied.
- **Bargain sale from landowner:** When a landowner accepts an amount that is lower than the current market value, the difference between the price paid and the approved appraised value is considered the “bargain sale amount.” This amount can be used toward the non-federal match as long as the landowner signs a document verifying that they were informed of the full current market value and have agreed to sell at the discounted price knowing the full value of the property. The CDFW and any subgrantee must keep records of any **excess** non-federal match from a bargain sale that will be used in successive sales for the same or similar properties in the same area.
- **Funds from Natural Resources Damage Assessment penalties:** These penalty funds must be managed by a non-federal organization. There are other conditions that apply. Consult with USFWS (see below for contact information) for the eligibility of this source of funds before committing to using these funds in a proposal.
- **Funds from the Department of Defense, Readiness and Environmental Protection Integration (REPI) Program:** REPI funding MAY be used as non-federal match IF it is buffering the military installation from encroachments that would be incompatible with the military mission and will protect compatible land uses or preserve habitat, BUT is not Mitigation. Check with the USFWS Field Office with jurisdiction to your area before

committing to REPI funds as non-federal match. Additionally, REPI funds may require their own level of non-federal matching funds.

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