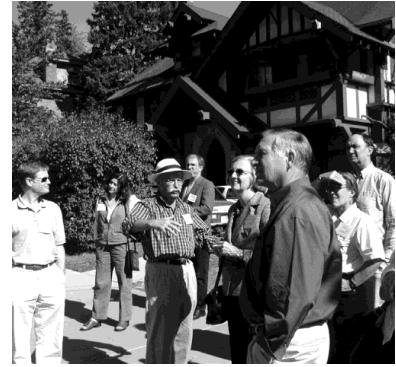




Certified Local Government Grants Manual

for Heritage Preservation Commissions – Fiscal Year 2026

December 2025



Minnesota State Historic Preservation Office
203 Administration Building
50 Sherburne Avenue
St. Paul, MN 55155
651-201-3287
mn.gov/admin/shpo/

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Part I – Introduction

The State Historic Preservation Office (SHPO), within the Minnesota Department of Administration, administers the U. S. Department of the Interior's Historic Preservation Fund (HPF) Program in cooperation with the National Park Service (NPS). Under this program the Department of the Interior specifies that at least ten (10) percent of Minnesota's annual HPF Program award be designated as pass-through funding to Certified Local Governments (CLGs) each year. The anticipated total amount available for Fiscal Year 2026 grants is approximately \$100,000.

To become a CLG, a local government must have enacted a preservation ordinance establishing a Heritage Preservation Commission program for local designation of historic properties and review of proposed changes to those properties. The requirements for certification are outlined in the document "Procedures for Applying for and Maintaining Certified Local Government Status," available from the State Historic Preservation Office.

Applications for certification are accepted on a continuous basis; only those governments which have achieved certified status are eligible to apply for funding under this program.

Representatives of CLGs interested in applying for a federal grant will find the procedures explained on the following pages. Included is information on General Grant Conditions, Eligible Program Activities and Priorities for Projects, the Application Process, Instructions for Completing the on-line Application, and Project Administration and Reporting. Because federal funds are used for CLG grants, numerous federal regulations apply. This manual describes the **minimum** requirements as specified by the NPS. Federal regulations will be enforced, and failure on the part of a CLG to meet them will result in the cancellation of a grant project. ***You should read this manual with care and use it when you prepare an application and when you administer a grant-funded project.***

SHPO strongly encourages representatives of CLGs to discuss project ideas with staff prior to applying. For further information, contact the State Historic Preservation Office, 203 Administration Building, 50 Sherburne Avenue, St. Paul, MN 55155; telephone 651-201-3291.

FY 2026 Grant Deadlines:

Draft application deadline:	January 9, 2026
Final application deadline: (due by 11:59 pm)	February 20, 2026
SHPO announcement of approved grants:	April 24, 2026

Part II – General Grant Conditions

A. Project Schedule

All work on projects funded in this grant cycle must be completed between July 1, 2026 and April 30, 2028. Please note that an additional nine months has been added to the project period. Additional time is possible because the National Park Service has extended the grant agreements for SHPO's receiving Heritage Preservation Funds (HPF). Project periods of appropriate length are permissible provided the beginning and ending dates fall within this new period. Most projects will begin on either July 1, 2026 or October 1, 2026 depending on the nature of the work. Work done before or after specific grant project beginning and ending dates will not be considered a part of the project or as a budget expenditure.

Please Note: Federal regulations require separate interim financial reports for each federal fiscal year that project expenses are incurred for all projects that span two or three federal fiscal years. For example, if project expenses are incurred between July 1, 2026 and September 30, 2026 then interim financial reports for those expenses are due by October 30, 2026. A second interim or final financial report for expenses incurred from October 1, 2026 through September 30, 2027 must be submitted within 30 days of the project end date. All grant funds are reimbursed after appropriate fiscal documentation has been submitted to and approved by SHPO. All applicants are encouraged to contact SHPO to discuss the scheduling needs of their projects during the pre-application period.

B. Project Budget

All project budgets must reflect an applicant match. Grant requests will require a minimum of a 30:70, local match: federal grant. A \$10,000 total project budget, for example, would require a local match of \$3,000 to leverage a \$7,000 CLG grant.

Applicants are encouraged to provide a match that exceeds the minimum requirement. Matching funds may be cash, in-kind, and/or donated services or materials contributed to the project, or a combination of the three. Cash match is encouraged but not required. Typically, Federal funds may not be used to match a CLG grant. However, funding through the Community Development Block Grant program is allowed as match.

See the Detailed Project Budget section in Part V – Instructions for Completing the Application on page 10 for additional information.

C. Eligibility

Eligible applicants must be designated as a CLG and cannot have outstanding, overdue final reports or products on any previous CLG grant and/or owe grant funds back to the grants program that have not been received by SHPO. The project must also fall within one of the prescribed program activities describe in Part III below.

D. Additional Conditions

The sample CLG Grant Agreement (see Appendix II) contains information on other grant conditions. In general, these conditions include requirements that: (1) projects adhere to federal standards to ensure fair competition for contracts; (2) proper accounting and management practices are followed; (3) expenses are auditable; (4) project deadlines are met; and (5) the CLG be able to prove it complies with certain federal regulations.

Part III – Eligible Program Activities and Priorities for Projects

Seven areas of eligible program activity are outlined in this section: **(A) Comprehensive Planning; (B) Pre-Development; (C) Survey; (D) Evaluation; (E) Local Designation Forms; (F) National Register Nomination Forms; and (G) Public Education.** Projects that will receive special priority are those that: 1) reflect the goals and strategies in the statewide preservation plan; 2) promote sound preservation planning through historic context development and the completion of historic and archaeological surveys; 3) result in local designations; and 4) involve properties associated with the history of heretofore under-documented groups or communities (ethnic or racial minorities, for example, but also other groups defining themselves as communities). Applications will be evaluated on the above consideration and the criteria discussed under Part IV of this manual.

A. Comprehensive Planning

Planning activities might include analyzing the community's history and developing historic contexts as a planning framework, preparing archaeological literature reviews, developing architectural guidelines for a designated area, or improving a local preservation ordinance. Guidance for planning work is found in the [Preservation Planning Standards](#), in the [Manual for Archaeological Projects in Minnesota](#), in [SHPO's Historic and Architectural Survey Manual](#), and the [Secretary of the Interior's Standards and Guidelines](#).

The following information must be included in the application narratives:

1. Description of the product and its contents.
2. Discussion of who will use the product.
3. Discussion of the CLG's overall historic preservation planning process including previous planning activities and planning activities anticipated in the future.
4. Discussion of how this project fits into the CLG's current planning activities.
5. Discussion of how the project relates to the state's comprehensive planning process and the 2022-2032 Statewide Historic Preservation Plan. Simply citing the part of the Plan to which the project relates is not sufficient.

B. Pre-Development Projects

Pre-development is the historical, architectural, and/or archaeological research necessary to properly document the historical significance and existing physical condition of a historic structure or site performed prior to the commencement of development. The report that is produced is a planning document for the preservation of an individual property. Pre-development activities include the preparation of a historic structure report or re-use

study for a vacant, threatened, and/or under-used historic property. The property for which funds are being requested must be listed on or have been officially determined eligible for the National Register of Historic Places by SHPO. Properties that have not been evaluated are not eligible for funding.

Historic Structure Reports

A Historic Structure Report (HSR) can be a valuable tool that can save time and money and minimize mistakes in preservation projects. HSRs are used to analyze a historic or archeological property, to establish preservation objectives for the property, and to schedule their accomplishment. The recommended format for a HSR can be found in Appendix II.

The following information must be included in the application narratives:

1. Physical description of the property including construction date, type of structure, original and present function, and type of construction.
2. Discussion of current ownership and the source of financial resources for the property's use and continued preservation.
3. Discussion of the current and likely long-range use of the structure.
4. References to the [Secretary of the Interior's Standards for the Treatment of Historic Properties](#) sufficient to demonstrate that the project will conform to these standards.
5. Discussion of how the report will be used and how the recommendations will be implemented.
6. Discussion of how the project relates to the state's comprehensive planning process and the 2022-2032 Statewide Historic Preservation Plan. Simply citing the part of the plan to which the project relates is not sufficient.

Reuse Studies

Historic properties that are vacant over an extended period are especially vulnerable to demolition or serious deterioration. Working with the Minnesota Historical Society, the State Historic Preservation Office developed a process called the Minnesota Historic Properties Reuse Team (HPRT) through which it works with communities and local citizens to conduct studies of vacant, threatened, and under-used historic properties to identify a range of potential new uses. The HPRT process is outlined in the publication *A Primer for Historic Properties Reuse Teams in Minnesota*.

The following information must be included in the application narratives:

1. Physical description of the property including construction date, type of structure, original and present function, and type of construction.
2. Discussion of current ownership.
3. Discussion of how the building is threatened.
4. Discussion of the city's and/or HPC's role in the reuse study.
5. Discussion of how the city will follow the established HPRT process.
6. Anticipated reuse study schedule.

7. References to the Secretary of the Interior's Standards for the Treatment of Historic Properties sufficient to demonstrate that the project will conform to these standards.
8. Description of the how the report will be promoted, distributed, or made available to the public.
9. Discussion of how the report will be used and how the recommendations will be implemented.
10. Discussion of how the project relates to the state's comprehensive planning process and the 2022-2032 Statewide Historic Preservation Plan. Simply citing the part of the Plan to which the project relates is not sufficient.

C. Survey

Most Minnesota cities were included in the SHPO reconnaissance level county-by-county survey conducted between 1977 and 1988. While these early surveys continue to provide basic information, it is often necessary to undertake new survey activities to aid in local planning and for identifying and evaluating additional properties for registration. Before beginning a long-range survey program, it is recommended that cities establish a series of historic contexts (see A above) as a framework for planning survey activities. Guidance for survey is found in the [Manual for Archaeological Projects in Minnesota](#), in [SHPO's Historic and Architectural Survey Manual](#), and the [Secretary of the Interior's Standards and Guidelines](#).

The following information must be included in the application narratives:

1. Focus of the survey (architecture/history, archaeology, both). Level of documentation (reconnaissance or intensive). Type of survey, reconnaissance (phase I) or intensive (phase II).
2. List of related historic contexts or development patterns being used to guide survey (What is the focus of the survey? How do the surveyed resources differ from those outside of the survey boundaries?) Geographic area(s) of concern, proposed survey boundary and number of acres in survey area (include a map).
3. Statement explaining how the survey relates to previous and future survey work in the city.
4. Statement explaining how the survey relates to the statewide historic contexts developed by the SHPO, and local contexts, if applicable.
5. Anticipated survey work schedule.
6. References to the Secretary of the Interior's Standards for Identification sufficient to demonstrate that the project will conform to these standards.
7. Discussion of how the project relates to the state's comprehensive planning process and the 2022-2032 Statewide Historic Preservation Plan. Simply citing the part of the Plan to which the project relates is not sufficient.

D. Evaluation

Many cities have inventoried a substantial number of properties but have not systematically evaluated those properties for their eligibility for the National Register or local designation. Evaluation activities might take the form of applying established historic contexts (see A above) and specific evaluation criteria to the inventoried properties to determine and rank their significance. Guidance for evaluation work is found in the [Manual for](#)

[Archaeological Projects in Minnesota](#), in [SHPO's Historic and Architectural Survey Manual](#), and the [Secretary of the Interior's Standards and Guidelines](#).

The following information must be included in the application narratives:

1. Description of the activities which have resulted in the identification of the properties to be evaluated.
2. Description of the properties/area to be evaluated.
3. Description of the evaluation process.
4. References to the Secretary of the Interior's Standards for Evaluation sufficient to demonstrate that the project will conform to these standards.
5. Discussion of how the project relates to the state's comprehensive planning process and the 2022-2032 Statewide Historic Preservation Plan. Simply citing the part of the Plan to which the project relates is not sufficient.

E. Local Designation Forms

Heritage preservation commissions generally use locally developed designation forms to designate properties at the local level. Guidance for designation work is found in the [Manual for Archaeological Projects in Minnesota](#), in [SHPO's Historic and Architectural Survey Manual](#), and the [Secretary of the Interior's Standards and Guidelines](#).

The following information must be included in the application narratives:

1. The number of designation forms to be completed.
2. The type of designation forms (individual, district, thematic).
3. The number of contributing properties included in the designation forms (see National Register Bulletin 14).
4. The names of the properties to be documented including general statements about their significance.
5. Reference to the Secretary of the Interior's Standards for Registration sufficient to demonstrate that the project will conform to these standards.
6. The expected schedule for designation.
7. Discussion of how the project relates to the state's comprehensive planning process and the 2022-2032 Statewide Historic Preservation Plan. Simply citing the part of the Plan to which the project relates is not sufficient.

F. National Register Nomination Forms

In cities where a HPD survey or a local survey has identified and evaluated certain properties that appear to meet the criteria of the National Register of Historic Places, cities may choose to apply for funds to complete the registration forms for nominations to the National Register. ***Please note, however, that nomination documents must meet federal standards and go through a careful and rigorous review before listing in the National Register of Historic Places, the nation's official list of significant properties. For some properties, establishing significance may require considerable research and explanation. In such cases, a CLG would be well advised to rely upon the experience and training of a preservation professional.*** Guidance for National Register projects is

found in the [Manual for Archaeological Projects in Minnesota](#), in [SHPO's Historic and Architectural Survey Manual](#), and the [Secretary of the Interior's Standards and Guidelines](#).

The following information must be included in the application narratives:

1. The number of registration forms to be completed.
2. The type of registration forms (individual or district).
3. The number of contributing and noncontributing properties included in the registration forms. (See National Register Bulletin16A: How to Complete the National Register Registration Form, pages 14-17. Copies of National Register Bulletins can be accessed from the [National Park Service website](#).)
4. The names of the properties including general statements about their significance.
5. References to the Secretary of the Interior's Standards for Registration sufficient to demonstrate that the project will conform to these standards.
6. The expected schedule for registration.
7. Discussion of how the project relates to the state's comprehensive planning process and the 2022-2032 Statewide Historic Preservation Plan. Simply citing the part of the Plan to which the project relates is not sufficient.

G. Public Education

Public Education activities may include publications, educational curriculums, interpretive signage, or other programs dealing with various aspects of the local, state, and/or federal preservation program(s). Examples might include a guide to locally designated properties (planned only after a properly conducted local survey is substantially completed), an economic impact study of historic preservation for a city, a workshop on the application of design guidelines in a historic district, or interpretive materials about significant archaeological resources. Public education activities should be based on work that meets the [Secretary of the Interior's Standards and Guidelines](#) and the [National Association for Interpretation Standards and Practices](#), where applicable.

The following information must be included in the application narratives:

1. Description of the work on which the activity is based and an explanation of how that work meets applicable [Secretary of the Interior's Standards and Guidelines](#) and the [National Association for Interpretation Standards and Practices](#).
2. Description of all the products the project will produce.
3. Discussion of how the project will be evaluated.
4. A detailed plan showing how each step in the project will be conducted, who will be responsible for each step (project director, HPC members, consultant, etc.), and the dates by which each will be completed.
5. Description of the how the project will be publicized, distributed, or otherwise made available to the public.
6. For workshops, conferences, and publications, indicate if there is to be a charge and, if so, what the estimated income will be and how that income will be used.

7. Discussion of how the project relates to the state's comprehensive planning process and the 2022-2032 Statewide Historic Preservation Plan. Simply citing the part of the Plan to which the project relates is not sufficient.

Part IV – Application Process

Instructions for Pre-Application and Final Application

Applicants access the on-line grants system here:

<https://www.grantinterface.com/Home/Logon?urlkey=mndeptadmin>.

The on-line system allows you to save your work on an application and come back to finish it later. If you have previously applied for a CLG grant you should have a username and password. Please click “Forgot your password?” to reset your password if necessary. If you are a new applicant, please click “Create New Account” to get started.

A. Draft Applications

While not required, SHPO **strongly recommends** that an applicant submit a draft application **by the January 9, 2026 deadline**. A draft application will allow staff to provide suggestions and comments in sufficient time to incorporate revisions into the final application.

B. Final Applications

Final applications must be submitted on-line by 11:59 pm on **Friday, February 20, 2026**. Incomplete applications received by SHPO near the application deadline may be disqualified. Instructions for completing the application should be followed carefully.

C. Review Criteria and Rating System

Grant applications are reviewed and scored by SHPO staff reviewers. Projects will be evaluated on the following criteria (total points available 100):

1. **Project Selection (10 points).** Describe why you have selected this project and why it is a priority for your CLG. If your CLG has a preservation plan or comprehensive plan, how is this project a part of that plan? Describe any relevant work or previous phases that have been completed for this project.
2. **Budget and Budget Justification (20 points).** Clearly describe each line item and the costs associated with each line item. Match may include cash, in-kind services, and/or other donated services, supplies, or materials. Does the budget include costs that are necessary and reasonable to achieve the project's objectives?
3. **Project Description (20 points).** Provide a detailed description of the project by describing what you propose to do in the sequence it will be done and how it will be done. Has previous work been done in

the project area? Describe any historic resources included in the project, their significance, and if they are designated (National Register or locally).

4. **Project Team (10 points).** Describe the project participants, their qualifications, preservation experience, and role in the project. Who will manage the grant and what other grants have they managed? What roles will CLG staff and HPC members play in this project? Will this project be undertaken jointly with other organizations? If so, describe the partners and their roles.
5. **Timeline (10 points).** Describe the project timeline and list key milestones, in the order they will be completed, and target dates for completion. You are not permitted to begin work on your project until your contract agreement is signed by SHPO. Please note that SHPO staff are allowed up to 30 days for review of project deliverables; this should be accounted for in the timeline.
6. **Community Impact, Public Benefit and Outreach (15 points).** Describe the impact of this project on the community and include who will benefit and how they will benefit. Describe how you will inform others about the project and share its results.
7. **Statewide Historic Preservation Plan (15 points).** Indicate at least two objectives and their corresponding goal(s) of the 2022-2032 Statewide Historic Preservation Plan that your project supports and discuss how the project reflects each goal and objective indicated.

Once the applications have been reviewed and scored by staff, all eligible applications with staff recommendations are forwarded to the State Historic Preservation Officer for review and approval by April 24, 2026.

Staff will review applications with respect to the factors outlined (see item C above), will make a reasonable effort to distribute funds among the maximum number of eligible local jurisdictions consistent with CFR 61.6 (f)(1) with a reasonable distribution between urban and rural preservation areas, and will make a reasonable effort consistent with CFR 61.6.7(f)(2) that no CLG receives a disproportionate share of the CLG pass-through funds. (Previous awards may also enter into consideration.) Staff may recommend that:

- A proposed project be funded as submitted; or,
- A proposed project be funded with changes to the scope and/or budget; or,
- A proposed project not be funded.

D. Funding Approval and Project Timeline

Staff recommendations for funding are forwarded to the State Historic Preservation Officer in the Department of Administration for final acceptance.

After final approval is obtained notification of the grant award is made to the City, and the Department of Administration Grants Office prepares and distributes the CLG Grant Agreements.

Shortly thereafter, the CLG Grant Agreement is executed by all parties.

All project work for this grants cycle must take place between July 1, 2026, and April 30, 2028. Dates for consultations and progress reports, other deadlines, and information on Requests for Reimbursement will be specifically outlined by the Grants Office in the Project Description of each CLG Grant Agreement.

Part V – Instructions for Completing the Online Application

The application process is handled entirely on-line. Before you start to complete the application, familiarize yourself with the information contained in Part III, Eligible Program Activities on pages 2-7. Consultation with SHPO staff is strongly encouraged before applying.

Please remember all final applications must be submitted by 11:59 pm on the application deadline, Friday, February 20, 2026.

A. Online Application – Applicant Information

APPLICANT INFORMATION

- **Applicant:** List the name and address of the CLG.
- **Project Team:** List principal personnel and their qualifications. Identify the person who has primary responsibility for the project and who will work with SHPO through the project's duration. Please note that the project director and the authorized representative must not be the same person. List principal project personnel and their qualifications. Personnel who meet the Secretary of the Interior's Professional Qualifications Standards (see page 44738) in the Federal Register of 9-29-83 should be so indicated and supporting information included. Projects must be under the direction of professionally qualified personnel. Include resumes of principal project personnel. Professional qualifications of project personnel will be reviewed by SHPO staff.
- **Authorized Representative:** List the individual authorized to conduct the applicant's business. Please note that the authorized representative and the project director must not be the same person.

B. Project Information

- **Project Name:** Provide a succinct title for the project.
- **Brief Project Summary:** Give a brief summary statement of the project.

C. Budget Information

- **Amount Requested:** Indicate the total amount you are requesting for the project. This is a line-item budget. Line items are individual expense items designated for a specific purchase or service. Here you will list the totals for proposed funding including federal grant monies requested and amount of applicant match.
- **Match Offered:** Grants must be matched 30:70, local match: federal grant. Match may include cash, in-kind services, and/or other donated services, supplies, or materials. ***Minnesota Historical and Cultural (Legacy) grants may be used to match a CLG grant. Applicants are encouraged to use Legacy grants as match; note, however, that those grants are highly competitive and have different deadlines than CLG grants.*** As noted in the II. General Grant Conditions, B. Project Budget section on page two, cash match is strongly encouraged.

Eligible budget costs can include: consultant's fees (no hourly rates can exceed \$95.74/hour including fringe benefits); travel expenses (no mileage rate can exceed the Federal Standard Mileage Rate which is currently \$0.67 per mile); office and general supplies; duplication and distribution costs; administrative costs such as clerical, accounting, communication, and legal; data processing; reference books; and conference costs.

Ineligible costs include: bad debts; contingencies; contributions and donations of grant funds; entertainment; fines and penalties; food and refreshments; interest and other financial costs; legislative or lobbying costs; museum curation costs; and fundraising expenses.

For personnel items, please include rates and estimated hours to be charged or contributed to the project. Each applicant match item should be identified as cash, in-kind services, or other match by placing the dollar amount in the appropriate column.

D. Application Narratives – Project Selection, Project Description, Project Impact, Project Personnel, Community Support, and Project Products

- **Project Selection:** Describe why you've selected this project and why it is a priority for your CLG.
- **Project Description:** Before completing a detailed description of the project, please refer to Part III of this grants manual to assure that all necessary information is included. Please be as specific as possible; references to appropriate Secretary of the Interior's Standards and Guidelines, Federal Register, Vol. 48, No. 190 dated 9-29-83, must be included.
- **Timeline:** List key milestones, in the order they will be completed, and target dates for completion.
- **Community Impact, Public Benefit, and Outreach:** Include who will benefit and how they will benefit from the project, describe how you will inform others about the project and share its results, and summarize community support for the project.
- **Underrepresented Communities:** Describe how this project will develop proactive historic preservation strategies that advance equity, expand access, increase diversity, and foster inclusion. Refer to Goal 3 of the Statewide Preservation Plan.
- **Statewide Historic Preservation Plan:** Indicate at least one goal and at least two objectives of the 2022-2032 Statewide Historic Preservation Plan that your project supports and discuss how the project reflects each goal and objective indicated (grantees may choose two objectives from multiple goals).
- **Final Product:** Provide a concise description of the products that will result from this project.

Part VI – Project Administration and Reporting

All aspects of the project must conform to OMB Circulars [A-87](#) and [A-102 \(revised\)](#). It is especially important that the City adhere to the procurement requirements outlined in [OMB Circular A-102 \(revised\)](#).

Acceptable documentation of the procurement process may include, (1) copies of advertisements or announcements; (2) the request for proposal (or any other information circulated by the City) and a brief description of how it was distributed; (3) a resume for the consultant and/or any other key professionals involved in the project; (4) a copy of an executed contract with the consultant; and (5) a narrative description of the written criteria and process (e.g., HPC minutes) used to select the consultant.

The City is also required to show justification for lack of competition when competitive bids or offers were not obtained. The procurement record should be clearly described to demonstrate that the City meets the federal procurement requirements.

The terms of the Grant Agreement require the City to agree to several provisions regarding the administration of the project. During the project, it is imperative that adequate and thorough records be kept of all budget items, both in the federally funded portion and in the applicant portion.

The Project Description section of the CLG Grant Agreement outlines the schedule for consultations as well as progress reports and the final products. ***It is important that reports and products be submitted on time. The timeliness of work on a project is one of the criteria that will be used in evaluating a CLG's subsequent grant applications.*** The Project Description also outlines the procedures for submitting a Request for Reimbursement Form. The Final Request for Reimbursement and all accompanying documentation is due within four weeks of the project's ending date.

Note regarding on-line reporting: Many of the documents you'll need to provide throughout the life of your grant and in closing it out can be submitted through the grant portal.

For projects starting prior to October 1, an interim financial close-out report, including a Request for Reimbursement Form for expenses and match incurred through September 30, will be due at the end of the federal fiscal year.

Appendix 1 – Supplemental Information on Allowable Costs

All costs for this project must be in conformance with OMB Circular A-87 and A-102 (revised) and the Historic Preservation Fund (HPF) Grants Manual (June 2007). The following points provide supplementary guidance and emphasis for areas where questions or problems may arise.

1. The project budget is divided into those costs to be reimbursed by Historic Preservation Funds (HPF federal dollars) and those costs which are covered by the City (applicant match). All costs--both HPF federal dollars and the applicant match--must be adequately documented on a Request for Reimbursement Form. The applicant match portion must total, at a minimum, the dollar amount noted on the first page of the Grant Agreement.
2. All costs must be in payment of an obligation incurred during the grant time period.
3. All costs must represent expenditures which are necessary for the accomplishment of approved grant objectives.
4. Transferred federal monies cannot be applied as matching applicant share; monies used as match on other federal grants may not be used as matching share on this project.
5. Specific cost categories:
 - a. **Personnel**
 - i. *Project Specific Personnel* are hired as regular employees specifically for the grant project. Eligible costs may include salary expenses as well as other project related expenses incurred for the benefit of the project specific personnel. These costs may be charged to the federal portion and/or to the applicant portion of the project budget. Costs included on a Request for Reimbursement Form must be supported with copies of time sheets showing the employee's name, dates and hours worked, dollar amount, description of work performed, employee's signature, and the Signature of the employee's supervisor. Either the City's time sheets with the above information or MHS time sheets (see Attachment D) are acceptable.
 - ii. *In-Kind Services* (force account personnel) are regular employees of the City who spend all or part of their time on the grant project. Eligible costs include the actual salary of the employee **including fringe benefits**. (The employee must be working in the same skill for which he/she is normally paid) These costs may be charged to the federal portion and/or to the applicant portion of the project budget. Costs included on a Request for Reimbursement Form must be supported with copies of time sheets containing information described under 5.A.(1) above as well as documentation supporting the claimed wage rate(s).
 - iii. *Donated Services* (volunteer personnel) contribute time to the grant project. If a volunteer is performing tasks within his/her normal trade or profession, the value of the contribution is based on the volunteer's normal rate of pay. **Benefits are not eligible if the volunteer is performing tasks outside of his/her profession**, a rate of \$38.16/hour can be used. The current rate is listed on the following website: http://www.independentsector.org/volunteer_time. These contributions may be

utilized only for the applicant portion of the budget. Costs included on a Request for Reimbursement Form must be supported by time sheets with information described under 5.A.(1) above.

- b. **Contractual Services** are services necessary for the completion of the project which are contracted by the City. The City must follow the requirements of OMB Circular A-102 (revised) regarding procurement standards in arranging for such services. Eligible costs may include the rates actually paid to the contractor. These costs may be charged to the state portion and/or to the applicant portion of the project budget. Costs included on a Request for Reimbursement Form must be supported by copies of invoices and copies of canceled checks.
- c. **Supplies and Materials**
 - i. *Donated supplies and materials* are those taken out of City stock or donated by third parties. The cost of these supplies and/or materials may be charged only to the applicant portion of the budget. Costs included on a Request for Reimbursement Form must be supported by a Value of Donated Supplies and Materials Form (see Attachment E) which must include a description of the materials and/or supplies, date of donation, fair market value, basis for the valuation (i.e., invoice price, price in retail outlet, etc.), and signature of verifying official.
 - ii. *Purchased supplies and materials* are those items bought specifically for the project. The City must follow the requirements of OMB Circular A-102 revised) in the purchase of supplies and materials. The cost of these supplies and/or materials may be charged to the federal portion and/or to the applicant portion of the budget. Costs included on a Request for Reimbursement Form must be supported by copies of invoices and copies of cancelled checks.
- d. **Indirect Costs** may be charged to the project only if the City has a current rate that has been approved by the City's cognizant federal agency and is currently in effect. These costs may be charged only to the applicant portion of the budget. Those costs must be included on page four of the City's CLG grant application.
- e. **Mileage Costs** may be charged to the project for necessary costs incurred excluding costs of mileage from place of residence of project personnel to the project site. Mileage paid for by the City may be charged to the federal portion and/or to the applicant portion of the budget; donated mileage may be charged only to the applicant portion. Costs included on a Request for Reimbursement Form must be supported with the following information: project personnel name, date of travel, purpose of travel, beginning and ending mileage, and rate claimed. The maximum claimable rate is the standard federal IRS rate which is \$0.70 cents per mile as of October 2025.