



RENEWABLE RESOURCE GRANTS NONPOINT SOURCE PROGRAM

PROJECT IMPLEMENTATION GRANT GUIDELINES

PLEASE READ THESE GUIDELINES THOROUGHLY BEFORE APPLYING

SPRING 2025 APPLICATION CYCLE – AT A GLANCE	
Eligible Applicants:	Government and non-government entities
Maximum Grant Request:	\$50,000
Match Requirement:	Government Entities: No Match Required Non-Government Entities 50% Cost-Share
FINAL APPLICATION DEADLINE:	April 14, 2025 by 5:00pm
Zoom Information Sessions: (See Page 2 to Register)	Wednesday, March 18, 2025 at 3:00pm Thursday, April 3, 2025 at 2:00pm
How to Apply:	Online at https://grants.dnrc.mt.gov/

PROGRAM OVERVIEW

The purpose of the Nonpoint Source Pollution Reduction (NPS) Grant Program is to provide financial assistance to projects which measurably preserve Montana's water resources. Nonpoint source pollution is the contamination or other alteration of the physical, chemical or biological properties of state waters. Projects must therefore improve water quality or water quantity, including stream flows and water storage in existing natural systems, such as riparian areas, floodplains, and wetlands.

NPS Project Implementation grants can fund on-the-ground projects that preserve water resources and provide benefits such as erosion reduction, water quality enhancement, and sediment reduction.

INFORMATION SESSIONS (REGISTER BELOW)

DNRC will host two identical one-hour information sessions for Nonpoint Source Grant applicants via Zoom. Information is below. Applicants should come prepared with questions. The sessions will be recorded.

- **Info Session 1 – Wednesday, March 19, 3:00pm – 4:00pm**
Register Here: https://mt-gov.zoom.us/webinar/register/WN_V7n2UhB1QOykoXb-0qbnA
- **Info Session 2 – Thursday, April 3, 2:00pm – 3:00pm**
Register Here: https://mt-gov.zoom.us/webinar/register/WN_rhVdSFrSSqSIH-F1kbJqA

ELIGIBLE APPLICANTS

Eligible applicants include local government and non-government entities.

Local government includes any division of state government, tribal government, or other county, city, or local political subdivision. Governmental entities include:

- Cities and towns
- Counties
- Water and/or sewer districts
- Conservation districts
- Irrigation districts
- School districts and universities
- Regional water authorities
- State agencies
- Tribal governments

As defined in [MCA 85-1-102\(6\)\(a\)](#), "Private Person" means any individual, association, partnership, corporation, or other non-governmental entity.

- Individuals/Private Person
- Associations
- Partnerships
- Corporations

Sponsorship

A government entity may sponsor a non-government entity for a NPS Grant. The sponsor must submit the application and provide project oversight. Grant sponsors must have a material connection to the work being performed and are the legal party for purposes of project representation, negotiations, and communications.

DNRC will require that a government entity sponsoring a grant for a non-government entity will provide an executed MOU as start-up conditions. [Appendix D: Example Memorandum of Understanding.](#)

ELIGIBLE PROJECTS

NPS Project Implementation Grants will fund on-the-ground projects that measurably preserve water resources. Project activities must be identified in [Montana NPS Appendix A – Best Management Practices](#). Projects identified in an approved Watershed Restoration Plan will receive priority.

All applications MUST include adequate project scope, schedule, and budget information to demonstrate the project can proceed immediately into a DNRC grant agreement, if awarded funding. DNRC start-up conditions are listed in [Appendix C: Award Letter Example](#).

Eligible projects must provide a firm commitment of matching funds, if applicable to the project.

Example eligible project activities:

- Stormwater system retrofitting, such as the design and installation of new stormwater control technology.

- Stormwater reuse systems, such as rain gardens, rain barrels, constructed wetlands, vegetated swales, and filter strips designed to contain, treat and/or reuse stormwater that might otherwise carry pollutants to streams.
- Streambank stabilization, stream channel and in-stream habitat restoration.
- Wetland restoration, creation, or enhancement for the purpose of addressing NPS pollution.
- Revegetation, such as Planting, protecting or reestablishing permanent vegetative cover in riparian or upland areas with the goal of reducing NPS pollution. Practice may include, but is not limited to seeding, sprigging, shrub planting, fencing to protect emerging or fragile vegetation, willow lifts, sod mats, overseeding, non-native plant removal, native plant reintroduction, riparian buffer creation, and replacement of annual plants with perennial vegetation.
- Reestablishment of a stream's floodplain or reconnection to an abandoned floodplain, with the purpose of addressing NPS pollution. Practice may also include breaching, removal, or modification of dikes, levees, road bases, or railroad grades to allow streams to access or reestablish a floodplain.

Minimum design standards:

- Projects must restore and maintain natural conditions and processes.
- Only native, site-appropriate plant species may be used for revegetation.
- Projects involving riparian or wetland buffer creation must have a minimum buffer width of 35 feet, as measured from the ordinary high-water mark. If the buffer must be less than 35 feet in some places to accommodate bridges, water gaps or other infrastructure, the buffer should be made proportionately wider in other areas.
- Projects must allow for the continued existence and future colonization of beaver.
- Revegetation efforts must include browse protection where necessary.
- Projects addressing stream flow through improved water use efficiency must include reasonable assurance that unused water will remain in the stream (e.g., through a change of use to instream flow, or a signed commitment from the water right holder).
- Projects must not result in a net loss of wetlands or wetland function.
- Projects involving grazing management (e.g., riparian fencing, creation of riparian pastures) must include a grazing management plan as a deliverable.

INELIGIBLE PROJECTS

DNRC Nonpoint Source Grants will not fund projects or programs that are eligible for grant funds within another grant program in DNRC, such as Reclamation Development Grants, Aquatic Invasive Species Grants, etc.

ELIGIBLE EXPENSES

DNRC generally cannot reimburse expenses incurred prior to the DNRC grant award letter date.

DNRC may consider reimbursing project expenses the applicant has incurred prior to the award letter date on a case-by-case basis.

Example expenses ELIGIBLE for reimbursement in this program:

- Professional engineering services, site investigation, design, and oversight.
- Contracted construction services.
- Equipment and materials.
- Staff time related to activity planning and project management.
- Staff time and expenses for this grant's administration, reporting and expense tracking.
- Travel expenses (must comply with the State of Montana Travel Policy).
- Purchases of goods, services or supplies (must meet the Montana Procurement Act and/or local procurement regulations).

Eligible expenses must be approved by DNRC, tie directly to a DNRC-approved project scope, and be incurred within the grant period of performance.

INELIGIBLE EXPENSES

The following expense types are considered INELIGIBLE for reimbursement in this grant program.

- Program costs¹ and/or indirect costs
- Political lobbying or litigation
- Land or property acquisition
- Food or beverages
- Activities that limit lawful access to property ([MCA 85-1-602 \(4\)](#))

GRANT FUNDING LIMIT

\$50,000 maximum grant award.

MATCH REQUIREMENT

DNRC Nonpoint Source Grants to a local government entity do not require financial match. Grants to a non-government entity require minimum match totaling 50% of the project cost. Matching funds must be fully committed at the time of application.

A 50% cost share is required for non-government entities. Matching contributions may be in the form of in-kind services or cash from local, state or federal sources. However, all contributions must be targeted

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- ¹ "Program costs" means non-reimbursable costs not directly related to the project. Program costs include but are not limited to: office rent that will be incurred whether or not the project is implemented; salaries of existing fully funded staff positions unless the work hours associated with the project are accounted for; or any other costs that pay for ongoing or general services of the applicant. For example: rent, utilities, licenses, reoccurring/regular meetings/newsletters (unrelated to planning or specific capacity development), staff time (unrelated to planning or specific capacity development), ongoing cost deemed necessary to continue business (operations).

for expenditure on the project specifically identified in the application. Matching funds must be substantiated by accounting records and costs that would normally be considered eligible as meeting program requirements. See [APPENDIX A - TERMS](#) for more information regarding Match Requirements.

Eligible in-kind contributions are those project-specific contributions associated directly with project implementation. If your budget includes in-kind labor, always reference the source for your labor value estimate. It may be helpful to use the U.S. Bureau of Labor Statistics website to estimate labor values for Montana: https://www.bls.gov/oes/current/oes_mt.htm.

Please note, regardless of the amount of match committed:

1. DNRC is required to evaluate each application's financial and technical feasibility which considers reasonable project costs and committed matching funds,
2. **The applicant MUST attach proof of a firm commitment of any matching funds on the application.**

EVALUATION METRICS AND CRITERIA

The following metrics will be used to score and rank each application.

1. **Renewable Resource Benefits:**
 - Groundwater or surface water sampling data
 - Aquatic toxicity resolved
 - Water quality/value of the affected water source
2. **Public Benefits:**
 - Human health and safety
 - Median Household Income of affected population
 - Potential water quality impacts to recreational water bodies (e.g., Is the water body on the [303d list by DEQ?](#))
3. **Financial Feasibility:**
 - Financial feasibility considers the committed match in relation to total project cost. Committed cash match will receive a higher preference than uncommitted match or in-kind match.
4. **Technical Feasibility:**
 - Quality of information in Preliminary Engineering Report (cost estimates, alternatives analysis, implementation plan and schedule, technical data)
5. **Public and Stakeholder Support:**
 - Letters of commitment from the connections, minutes from town council meetings showing public comment and/or support.

If a project is determined to have adverse environmental impacts that cannot be mitigated and/or the project does not preserve the state's renewable resources per 85-1-601, MCA, it is ineligible for a grant. See RRGL Program Guidelines [Appendix B - Eligibility and Ranking](#) for more information.

APPLICATION REVIEW

All applications are due in DNRC's online platform on April 14, 2025 by 5:00pm

NOTIFICATION OF AWARD

DNRC will issue an award letter to successful applicants. **The applicant MUST provide documentation to DNRC to meet start-up conditions, including a procurement plan, by May 16, 2025.** Failure to meet start-up conditions by May 16, 2025 may result in a rescinded award.

DNRC generally cannot reimburse expenses incurred prior to the DNRC grant award letter date.

GRANT MANAGEMENT

Grant Agreement

DNRC grant recipients are required to enter into an agreement with the DNRC prior to requesting reimbursement for eligible project costs. State procurement law is required to be followed under this agreement. **All grant agreements for this cycle's awards must be executed by June 2025.**

Reimbursement & Reporting

DNRC requires grant recipients to provide progress reports when requesting reimbursement. See **APPENDIX D - REPORTING AND REIMBURSEMENT REQUIREMENTS** for additional details. DNRC requires that grant recipients submit requests for reimbursement using the state vendor invoice. In addition to the DNRC vendor invoice, the grant recipient will submit copies of all applicable invoices and/or receipts eligible for reimbursement. All reimbursement and reporting are submitted through Submittable, the online grant management system, at www.grants.dnrc.mt.gov.

Reporting and reimbursement information is provided on DNRC [Resources and Training](#) webpage.

Grant Closeout

DNRC grants require final reports, deliverables, and invoices in compliance with the agreement to process final reimbursement. Ten percent (10%) of the total grant will be withheld until the grant recipient has submitted an acceptable final report.

PROGRAM CONTACT

Nina Denny

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LEGAL AUTHORITY

Montana Code Annotated:

MCA [85-1-602, 605, 608, 609, 610](#)

Administrative Rules of Montana:

ARM [36.17.6](#)

APPENDIX A: TERMS

Amendment

An amendment is a formal modification to a grant agreement. It is written, signed by both DNRC and the subrecipient, and legally incorporated into the Grant Agreement.

Applicant

"Applicant" means the following who submit an application under the act, meeting the purposes and policies of the act pursuant to [85-1-601](#), MCA:

- (a) a local governmental or state governmental entity eligible under [85-1-605](#), MCA;
- (b) a tribal government eligible under [85-1-605](#), MCA; or
- (c) a private person that is an individual, association, partnership, corporation, or other governmental entity that is not eligible for loans and grants under [85-1-605](#), MCA.

Application

"Application" means an application for a renewable resource grant or loan submitted by an applicant in accordance with the act and the rules adopted pursuant to the act.

Authorized Person

The Authorized Person is the individual authorized to enter into a grant agreement with the State of Montana on behalf of the applicant entity. DNRC requires that applications be signed by an authorized representative of the applicant entity (for example, a mayor, county commissioner, board chair, district supervisor, etc.). Application forms CANNOT be signed by a different representative (for example the City Manager or Town Clerk), even if that representative has signing authority within the local government. This is because DNRC has no way of knowing who has signing authority within the local government entity. Additionally, DNRC needs to be confident that the authorized signatory can enter into a grant agreement in the future should the application be successful.

Awards

DNRC will issue an award letter to an applicant that contains information on the amount of the award as well as program requirements. DNRC may only authorize reimbursement of eligible project costs once a Grant Agreement has been executed. See Appendix C Award Letter Example. Award letters will detail:

- Total Grant Award
- Eligible Project Costs (Dates)
- Startup Requirements
- Match Requirements
- Procurement Requirements
- Program Specific Requirements/Limitations

Budget Categories

Budget categories for direct costs in a DNRC Grant Agreement may include Personnel Costs, Equipment, Contracted Services. Please see guidance on writing a budget narrative online:

<https://dnrc.mt.gov/docs/conservation/ARPA/Tools-and-Resources/How-to-Write-a-Budget-Narrative-ARPA.pdf>

Personnel Costs

Personnel Costs, also referred to as payroll charges, include compensation paid to employees as wages or salaries and related fringe benefit costs for services provided for the benefit of the grant award project during the term of the grant agreement. As with any cost attributed to the grant agreement, personnel costs must meet the general test of allowability in that the costs must be necessary, reasonable, and allocable to the award.

Personnel costs can be checked for reasonableness by comparing compensation with other organizations' pay for similar work, or if no similar work exists, with market salary standards. The charges must be consistent with other **payroll charges and organizational policies, and they must not be charged elsewhere to another award or function.**

Fringe benefit costs associated with payroll charges (such as the employer's portion of payroll taxes; health insurance premiums; workers' compensation insurance; contributions to retirement programs; and compensated absences such as vacation, holiday, military, and sick leave) are also allowable, provided the benefits are reasonable and required by law, employee agreement, or established policy of the grant recipient.

All salaries, wages, and benefits claimed as direct costs to grant awards must be based on the recipient's documented payroll records. Time and attendance records (including work schedules, calendars, and time sheets) may be used to document payroll charges. Please see DNRC CARDD Grant Reimbursement for Personnel Expenses Guide online: <https://dnrc.mt.gov/docs/conservation/CARDD-Training/DNRC-Reimbursement-for-Personnel-Services-Guide-Final.pdf>

Equipment

Equipment is defined as tangible property having a useful life of more than one year and a per-unit acquisition cost. Not all DNRC grant programs allow for the purchase of equipment. If it is permitted by the grant program, Program Managers will work with the applicant during the application process to determine the eligibility of equipment purchase. If the purchase of equipment is determined to be an allowable cost, it will be clearly noted in the grant agreement's budget table, and the grant recipient will be required to follow all state and local guidance related to the acquisition and disposition of the equipment.

Materials or Supplies

Materials or supplies are defined as purchases necessary to support the grant activities that do not meet the definition of equipment above and are generally less than \$5,000. Materials and supplies are not expected to have a useful life beyond the immediate needs of the project.

Contracted Services

The Contracted Services budget category includes costs incurred for services provided under contract in support of the award-funded project. Contracted services represent an actual **procurement**, or purchase, of services.

DNRC can allow reimbursement for local governments to provide their own labor, equipment, or materials under specific circumstances. Please see <https://dnrc.mt.gov/docs/conservation/ARPA/Tools-and-Resources/Non-DEQ-Project-Guidelines-FINAL.pdf>

The State of Montana requires that projects must be designed and inspected during construction by a Montana registered engineer and all land surveying projects must be performed by a Montana registered land surveyor Montana Code Annotated (MCA) 18-2-121.

Local Government Provides Labor and Equipment for Construction. Local governments must request authorization to use their own labor and equipment for construction projects.

Common types of these projects are canal/ditch conversion to pipe and canal lining.

- Procurement of materials must follow federal, state and/or local procurement laws, rules, and regulations.
- The entity must provide DNRC with documentation of similar projects constructed or must provide DNRC with the manpower and machinery available to complete the construction according to plans and specifications.
- Accurate expense records of labor and machinery used for construction must be kept and provided to DNRC for reimbursement.
- A licensed engineer or surveyor registered in Montana must be present for inspection and completion of the project (MCA 18-2-121).
- DNRC requires As-Builts that are certified by a licensed P.E. as part of the Final Reporting Requirements.

Grant Agreement

The Grant Agreement is a legally binding contract between DNRC and the Grant Recipient to allow DNRC to reimburse the Grant Recipient for approved project activities.

Grant Recipient

A Grant Recipient is the entity legally allowed to carry out project activities as part of a DNRC Grant Program.

Eligible Expenses (Allowable Costs)

To be considered allowable under a grant award, a project cost must, at a minimum, be allocable, reasonable, and necessary.

1. **Necessary** to accomplish the project objectives as described in the Grant Agreement and applicable industry or program standards.
2. **Reasonable** for proper and efficient performance and administration of the grant award. A cost is “reasonable” if, in its nature and amount, 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.
3. **Allocable** to the grant award. A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to the cost objective in accordance with the relative benefits received.

Additional general criteria for allowability of costs require that the cost also:

- Be authorized or not prohibited under state or local laws or regulations.
- Conform to any limitations or exclusions set forth in cost principles established by federal or state laws, terms and conditions of the grant agreement, or other governing regulations as to types or amounts of cost items.

- Be consistent with policies, regulations, and procedures that apply uniformly to both state grant awards and other activities of the grant recipient
- be accorded consistent treatment. A cost may not be assigned to the grant agreement as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to another grant agreement or subaward;
- be determined in accordance with the grant recipient's accounting records;
- be adequately documented.

Ineligible Expenses

DNRC cannot reimburse expenses for:

1. *Program Costs or Indirect Costs*: These are non-reimbursable costs not directly related to the project. Program costs include, but are not limited to:
 - a. Office rent that will be incurred whether or not the project is implemented;
 - b. Salaries of existing fully funded staff positions unless the work-hours associated with the project are accounted for; or
 - c. Any other costs that pay for ongoing or general services of the applicant. These costs are incurred for a common or joint purpose benefitting the organization and are not readily assignable to the project objectives. These costs tend to be necessary for the operation of an organization as a whole and benefits are shared across all programs. Examples include:
 - Utilities
 - Operations and maintenance
 - Routine compliance monitoring expenses
 - Licenses, memberships, and subscriptions
 - Communications
 - Office equipment
 - Costs of recurring/regular meetings
 - Organizational newsletters,
2. Other ineligible project costs include:
 - a. Costs incurred outside the eligible term in the grant agreement
 - b. Political lobbying or litigation
 - c. Land or property acquisition
 - d. Food or beverages
 - e. Travel expenses that exceed the State of Montana Travel Policy
 - f. Activities that limit lawful access to property (see [MCA 85-1-602 \(4\)](#))
 - g. Repayment of loans
 - h. Prepayment of anticipated costs of future activities

Match

Match is the portion of project costs not paid with grant funds. It is usually the recipient's contribution or a third party's donated services or supplies. For grant awards that require match, the recipient must document, according to the terms of the Grant Agreement, that the match requirement has been met. Costs used to meet a match requirement must be allowable under the applicable cost principles and must meet program guidance and documentation requirements. Failure to properly record match expenses may result in the termination of the Grant Agreement or the withholding of grant reimbursements by DNRC until appropriate documentation is provided.

Match Requirements

Matching contributions may be in the form of **in-kind** or **cash** from local, state or federal sources. However, all contributions must be targeted for expenditure on the **project specifically identified in the application**.

Costs claimed as match must meet all the following criteria:

- Matching funds must be substantiated by accounting records;
- Be necessary and reasonable for the accomplishment of project objectives;
- Be considered eligible as meeting program requirements.

Cash Match (Hard Match)

Cash Match, also referred to as hard match, is the actual cash outlay contributed to the project by the subrecipient or third parties, such as project partners and beneficiaries.

In-kind Match (Soft Match)

Eligible in-kind contributions are those project-specific contributions associated directly with **project implementation**. In-kind Match, also referred to as soft match, is the value of **non-cash** contributions provided by grant recipients or third parties. In-kind contributions may be in the form of goods, labor, services, facilities, space, personnel, materials, or equipment calculated at **fair market value**. Note that third-party in-kind match contributions count toward satisfying a match requirement only when, if the party receiving the non-cash contributions were to pay for them, the payments would be allowable costs.

Donated Services - Volunteers

Volunteer services furnished by professional and technical personnel, consultants, and other skilled and unskilled labor may be counted as match if the service is an integral and necessary part of an approved subaward-funded project or program.

Values claimed for volunteer services must be consistent with costs of similar work performed in the subrecipient's organization or in the local labor market. If an entity does not have volunteer service rates readily available, an acceptable Montana-specific average cost per hour for unskilled volunteer services can be found at http://www.independentsector.org/volunteer_time.

Budgets including in-kind labor, always reference the source for your labor value estimate. It may be helpful to use the U.S. Bureau of Labor Statistics website to estimate labor values for Montana: https://www.bls.gov/oes/current/oes_mt.htm.

If volunteer services are approved to be claimed as match, the recipient should maintain documentation on:

- Name of volunteers (who)
- Dates of volunteer work (when)
- Tasks completed by volunteers (what)
- Total hours worked by volunteers (how many), and
- Source of the labor or volunteer rate.

Donated Services

Other examples of donated services may include use of equipment, printing, website maintenance or server space, telephone services, transportation costs, or administrative or accounting services provided in support of the program. These donated services should be valued at the fair market value for the services or what the entity would have to pay for the services if they were not donated.

Donated Goods

A recipient may receive donations of supplies necessary to accomplish project goals, the reasonable value of which may be used for match requirements of the program. The value assessed must not exceed fair market value at the time of the donation. DNRC will require recipients to provide supporting documentation on basis for determining the value of donated goods claimed as match.

Memorandum of Understanding (MOU)

This is an agreement between the eligible entity, or grant recipient and a non-eligible entity that must clearly spell out the roles and responsibilities of each party to ensure the success of the project activities as specified in the grant award. It must also clearly define the financial arrangement to ensure that DNRC grant funds are not disbursed to the non-eligible entity. Non-eligible entities may not be a beneficiary of DNRC grant funds. Appendix D: Example Memorandum of Understanding.

Pass-Through Entity

When a grant recipient transfers or subawards funds to another entity to incur project costs and execute the project activities, this is considered a pass-through or subrecipient agreement. DNRC grants generally do not allow for Grant Recipients to pass-through or subaward grant funds to a third party.

Procurement

Grant recipients are responsible for ensuring any procurement using DNRC grant funds, or payments under procurement contracts using such funds are consistent with the procurement standards set forth in the Montana Procurement Act (Title 18, Chapter 4) and local procurement laws, rules, or policy. Grant recipients are responsible for determining the most appropriate instrument of procurement. See Appendix E for State of Montana Procurement Limits and a Limited Solicitation Worksheet.

Procurement Plan

A procurement plan provides for free and open competition, transparency in transactions, comparability, and documentation of all procurement activities to demonstrate compliance with the Montana Procurement Act and local procurement laws, regulations and policies. The procurement plan should cite the steps a grant recipient will undergo to ensure that prior to requesting reimbursement, all project expenditures are eligible.

Procurement Documentation

Grant recipients must maintain records sufficient to detail the history of procurement. Records include, but are not necessarily limited to, the rationale for the method of procurement, selection of contract type, contractor selection or rejection, and basis for the contract price. This documentation may be requested and reviewed by DNRC in the course of grant monitoring activities or by independent auditors during an audit.

Documents must be held for five years after the termination or expiration of the Grant Agreement.

Reimbursement

DNRC reimburses eligible project costs on a **reimbursement basis**. To be eligible for reimbursement, costs must be incurred within the dates specified in the grant agreement. DNRC will only reimburse costs if they are included in the approved scope and budget in the executed grant agreement. Grant recipients must document eligible costs to receive reimbursement, which includes a progress report, copies of vendor invoices, completed budgets, documentation of match (if required) and DNRC may request proof of payment prior to authorizing reimbursement. See DNRC CARDD's Reimbursement Requirements Guide online: https://dnrc.mt.gov/_docs/conservation/CARDD-Training/DNRC-Reimbursement-Request-Guide-Complete.pdf

Sponsor

Eligible entities may “sponsor” a grant on behalf of an entity that is not eligible to receive grant funds from DNRC. Eligible entities, or applicants, must have a material connection to the work being performed and are the legal party for purposes of project representation, negotiations, and communications. DNRC will require that a grant applicant sponsoring a grant for ineligible entity provide an executed Memorandum of Understanding (MOU). Appendix D: Example Memorandum of Understanding for example language.

APPENDIX B: ELIGIBILITY AND RANKING

The criteria for eligibility and ranking RRGL Grant Applications are established in ARM [36.17.610](#). Private grants have additional ranking considerations outlined in [MCA 85-1-609](#) and [MCA 85-1-610](#). For each grant cycle, DNRC will publish the guidelines to the eligibility and numerical points to be awarded for the following criteria:

GENERAL RRGL ELIGIBILITY

Applicant Eligibility

- Local Government ([MCA 85-1-605](#)) - Project, Planning, Emergency, Irrigation Development, Watershed Management, Nonpoint Source Grants.
- Private Person (85-1-606) – Private, Irrigation Development, Watershed Management, and Nonpoint Source Grants.

Eligible Activities [MCA 85-1-602](#)

- Feasibility, design, research, and resource assessment studies.
- Preparation of construction, rehabilitation, or production plans.
- Construction, rehabilitation, production, education, or other implementation efforts.

Eligible Projects [MCA 85-1-602](#)

- Development of natural resource-based recreation;
- Development of natural, offstream, and tributary storage;
- Improvement of water use efficiency, including development of new, efficient water systems, rehabilitation of older, less efficient water systems, and acquisition and installation of measuring devices required under [85-2-113](#), MCA; monitoring; and development of state, tribal, and federal water projects;
- Water-related projects that improve water quality, including livestock containment facility projects, soil and range health projects, and the maintenance and repair of source watersheds;
- Water-related projects that improve water quantity, including streamflows and water storage in existing natural systems, such as riparian areas, flood plains, and wetlands;
- Advancement of farming practices that reduce agricultural chemical use; and
- Projects that facilitate the use of alternative renewable energy sources, as defined in [15-6-225](#), MCA.

RRGL Eligibility [ARM 36.17.610](#)

- Project must have renewable resource benefits – see Renewable Resource Benefits Ranking below.
- Project must result in public benefits – see Public Benefits Ranking below.
- Project is technically feasible:
 - Adequate cost estimate for the preferred alternative. ***Eligibility evaluates applicant's total project budget including committed cash match. Projects that fail to provide an adequate budget narrative to justify project costs may receive a reduced award or be ineligible for grant funds.*** Please see the guidance on how to write a budget narrative online: <https://dnrc.mt.gov/docs/conservation/ARPA/Tools-and-Resources/How-to-Write-a-Budget-Narrative-ARPA.pdf>

- Thoroughness and feasibility of the project's implementation plan and schedules.
- Quality of supporting technical data.
- Project Management Plan is adequate and can support the project:
 - Past management problems
 - Other concerns
- Project may NOT reduce, restrict, or prohibit any lawful access to the property that existed prior to the project's implementation.
- Project may NOT result in a long-term adverse impact to public benefits: land, air, water, fish, wildlife or recreation opportunities. [MCA 85-1-601](#)

NPS IMPLEMENTATION PROJECTS RENEWABLE RESOURCE BENEFITS RANKING [ARM 36.17.610](#)

Points must be awarded for renewable resource benefits related to the project. If a project has no renewable resource benefits, it is ineligible for a grant.

RENEWABLE RESOURCES	PRESERVE*	WATER BODY	DATA PROVIDED	IMPORTANCE	QUESTIONS TO CONSIDER:
Surface Water					
Ground Water					
Fish and Aquatic Habitat					
Wetlands					
Resource Benefits Total Points	0	12 Points Max			

*Scoring Criteria

- 0 = no benefit
- 1 = likely benefit, unmeasurable
- 2 = measurable benefit
- 3 = measurable benefit to an important resource

NPS IMPLEMENTATION PROJECTS PUBLIC BENEFITS RANKING [ARM](#)

[36.17.610](#)

Points must be awarded for public benefits. If a project has no public benefits, it is ineligible for a grant.

PUBLIC BENEFITS	PUBLIC BENEFITS**	AREA OF INFLUENCE	LETTERS OF SUPPORT	PUBLIC SUPPORT	QUESTIONS TO CONSIDER:
Welfare (Economic)					What is the economic benefit of this project? Has it been quantified in the application (number of jobs created over time). Is the economic benefit local or region-wide?
Human Health or Safety					Will this project improve health and safety? Is the benefit region-wide, community-wide, or primarily benefits a local business/private individual?
Recreation					Does this project improve resource-based recreation? Is it a local or region-wide benefit?
Public Benefits Total Points	0	9 Points Max			

**Scoring Criteria

- 0 = no benefit
- 1 = likely benefit, unmeasurable
- 2 = measurable benefit
- 3 = measurable benefit with public support

NPS IMPLEMENTATION PROJECTS TECHNICAL FEASIBILITY

No points may be awarded for technical feasibility. Points will be deducted for errors or omissions in this section. If a project is determined to not be technically feasible, it is ineligible for a grant.

TECHNICAL CONSIDERATIONS:	YES/NO/ SCORE	SCORING CRITERIA	CONDITIONS OF AWARD	EXAMPLE CONTINGENCY LANGUAGE:
Application clarity:				
Scope of Work: The purpose and goals of the project were clearly stated.				
All requested information is provided as requested in the application.		If No, negative one point		
Technical Considerations:				
Did the applicant provide an adequate alternative analysis? PER or other Technical Narrative attached.				
Did the alternative analysis present a cost estimate for the alternatives?				
Did the applicant provide an adequate cost estimate for the preferred alternative?				
Did the applicant provide a thorough project implementation plan and schedule?		If No, negative one point		Grant agreement is contingent upon the applicant providing an adequate project schedule.
Is it reasonable that the applicant can complete the project within 2 years of the grant agreement?		If No, minimum negative one point		
Did the applicant provide quality technical data?				
Grant Management:				
Is the Grant Management Plan adequate to support the project?		If No, negative one point		
Is the project sponsored by an eligible applicant for a non-eligible entity?				Grant agreement is contingent upon the applicant providing an executed Memorandum of Understanding.

Are there past project management or grant management problems with other DNRC grants?		If Yes, negative one point		Grant agreement will require that the applicant submit monthly progress reports, participate in regular project status meetings, etc.
Does the project reduce, restrict or prohibit lawful access to property that existed prior to the project's implementation?		If Yes, ineligible		
Is the MEPA checklist submitted adequate for the reviewer to determine that the project will not result in long-term adverse impacts to public benefits?				Grant agreement is contingent upon the applicant providing an adequate MEPA checklist.
Do application points need to be deducted for technical feasibility?***		-5 Points Max		

***Scoring Criteria

0 = No technical concerns

-1 = Project has some technical concerns that can be addressed in startup or with contingency language.

-2 = Project has multiple technical concerns. Funding will be contingent on startup conditions and will be treated as medium risk.

-3 = Project has significant technical concerns, funding will be contingent on startup conditions and will be treated as medium or high risk.

-4 = Project has significant technical concerns, eligibility is uncertain.

-5 = Project is ineligible.

NPS IMPLEMENTATION PROJECTS FINANCIAL FEASIBILITY

No points may be awarded for financial feasibility. Points will be deducted for errors or omissions in this section. If a project is determined to not be financially feasible, it is ineligible for a grant.

FINANCIAL CONSIDERATIONS:	YES/NO/ SCORE	SCORING CRITERIA	CONDITIONS OF AWARD	EXAMPLE CONTINGENCY LANGUAGE:
Did the applicant provide an adequate budget narrative with the application that matches the scope of work proposed?				Grant agreement is contingent upon the applicant providing an adequate budget narrative to justify the unit costs for the project.
Did the applicant include grant administration in the budget?				
Did the applicant include the source and adequate documentation of commitment of matching funds?		If No, negative one point		Grant agreement is contingent upon the applicant providing verification of the grant award, loan agreement, commitment of matching funds...
Is match sufficient to ensure that the project will be successful?		If No, negative three points		
Is match sufficient to meet the 50% requirement for private grants?		If No, ineligible		
Is match from a committed grant or loan?		If No, negative one point		
Is match from a committed local cash or local funds?		If No, negative one point		
Is match from an in-kind or donated source? Is there a commitment of those hours or materials?				If letter of commitment not provided or if in-kind donation seems unreasonable, negative three points.
Did the applicant follow the directions for the budget forms?				

Did the applicant provide an adequate procurement plan that addresses the state or local procurement requirements for contracted services?			Grant agreement is contingent upon the applicant providing an adequate procurement plan that addresses the state or local procurement requirements for contracted services.
Do application points need to be deducted for financial feasibility?****		-5 Points Max	

****Scoring Criteria

- 0 = No financial concerns
- 1 = Project has some financial concerns that can be addressed in startup or with contingency language.
- 2 = Project has multiple financial concerns. Funding will be contingent on startup conditions and will be treated as medium risk.
- 3 = Project has significant financial concerns, funding will be contingent on startup conditions and will be treated as medium or high risk.
- 4 = Project has significant financial concerns, eligibility is uncertain.
- 5 = Project is ineligible.

TOTAL PROJECT SCORE

Applications shall be assigned a net ranking score based on the points gained or lost. Once the applications have been ranked, DNRC creates a priority list of all of the applications.

Scores

Resource Benefits Total Points		12 Points Max
Public Benefits Total Points		9 Points Max
Deduction for Technical Feasibility		-5 Points Max
Deduction for Financial Feasibility		-5 Points Max
Total Application Score		15 Points Max

APPENDIX C: AWARD LETTER EXAMPLE

GRANT RECIPIENT ORGANIZATION
ADDRESS
CITY, MT ZIP

RE: DNRC Renewable Resource Grants Award Letter PROJECT TITLE

Dear AUTHORIZED PERSON:

Congratulations on receiving your RRGL PROGRAM grant for \$AWARD AMOUNT for the PROJECT TITLE.

Project costs incurred (AS OF THE DATE OF THIS LETTER) or (INCURRED AFTER JULY 1, 2023, BUT BEFORE JULY 1, 2024) may be eligible for reimbursement. Before DNRC can reimburse eligible project expenses, GRANT RECIPIENT ORGANIZATION must enter into an executed grant agreement with DNRC. DNRC requires the following Startup Conditions to draft a grant agreement. Startup conditions are due within (12-MONTHS) or (24 MONTHS) of the date of this letter. Failure to meet the deadline to submit startup conditions may result in DNRC rescinding this grant award.

Start-Up Conditions:

- Updated Scope
- Updated Schedule ([PDF Schedule](#))
- Updated Budget ([Uniform Budget Status of Funds Tracker](#))
- Commitment Letters for Matching Funds
- Grant Management Plan ([Document](#))
- Memorandum of Understanding (if required)
- Procurement Plan (if required)

APPLICANT ORGANIZATION must enter into a grant agreement with DNRC prior to requesting reimbursement for eligible project costs.

OPTIONAL Program Specific Requirements:

- Match Requirements (Private Grants)
- Limited Solicitation Worksheet
- Project Kickoff Meeting
- Progress Meetings
- Eligible Project Cost Limitations

Please contact me if you have any questions. I am looking forward to working with you on your project.

Sincerely,
GRANT MANAGER

Cc: PROJECT CONTACT
PROJECT ENGINEER

APPENDIX D: REPORTING AND REIMBURSEMENT REQUIREMENTS

PROGRESS REPORTS

The Recipient will provide progress reports to DNRC during the term of the grant agreement. Reports will provide status information for each project implementation task and identify the reporting period. Status information will include, at a minimum:

- Project activities during the reporting period;
- Costs incurred;
- Funds remaining;
- Anticipated activities during the next reporting period, and
- Expected changes in scope, schedule, or budget.

The Recipient shall report on total project costs including those funded by the Recipient and other matching funds. Significant problems encountered shall be noted and necessary scope and timeline modifications requested.

Grant recipients must submit a project progress report with each reimbursement request, at a minimum on a quarterly basis. DNRC will not honor claims for reimbursement if DNRC has not approved the progress report or if there is a delinquent report.

REIMBURSEMENT REQUEST REQUIREMENTS

Reimbursement requests must:

- Include a State of Montana vendor invoice signed by an authorized agent.
- Be billed by the tasks identified in the project scope of work and budget.
- Be supported by backup documentation of contractor invoices, receipts, cancelled checks, or other documentation of costs.

Recipient invoices need to relate clearly to the scope of work and budget in the grant agreement. Projects with multiple funding sources need to submit a uniform status of funds spreadsheet (provided by DNRC) or other means of tracking and documenting match and the project budget.

All reimbursement and reporting are submitted through the online grant management system www.grants.dnrc.mt.gov.

Reporting and reimbursement templates and training materials are provided on DNRC [Resources and Training](#) webpage.

FINAL REPORT

The Recipient must submit one hard copy and one electronic copy (pdf) of the final report that meets the requirements of Attachment C to DNRC upon project completion. Final disbursement of funds is contingent upon DNRC receipt and approval of a final report that meets these requirements. Final reports must be submitted to DNRC within 90 days of the Agreement termination date.

Final reports must include a signed Certificate of Compliance to DNRC upon project completion. Projects that included construction must also submit a signed Engineer's Statement of Completion. DNRC may also request as-built drawings for construction projects, IF APPLICABLE TO PROJECT.

The Recipient is not required to use the suggested format in this Attachment but must include the information listed below. At a minimum, the final report must describe the purpose and location of the project, project tasks, changes to the scope, schedule or budget, how the project met stated goals and objectives, how the project benefited and/or developed renewable resources, and the current project status. Final reports will be made available to the public on the DNRC website.

Final Report Requirements

1. Title Page:

- a. Recipient's name, address, and telephone numbers.
- b. DNRC Grant Agreement Number
- c. Name, address, and telephone of other contacts if primary contacts are not available.
- d. Funding: total project cost and amount of agreement
- e. State where copies of the report may be obtained (Recipient contact person name, address, phone number. An email address or website is acceptable).
- f. A list of supporting documents (for example, construction completion reports or other project deliverables, if applicable).

2. Introduction: Describe the project history, location, and purpose. Provide a project location map.

3. Discussion and Results:

- a. Describe how project goals and tasks identified in the Agreement were completed:
 - Describe the planning process (for example: discuss project design, independent review, coordination with agencies, permits required and other activities).
 - Describe how each task listed in the scope of work was accomplished. Provide details on each task (for example: if trees were planted as an erosion control measure, state how many, the tree species, the age or size of the trees, and location of the plantings).
 - List the goals and/or objectives of the project as stated in the scope of work and briefly describe how they were met by the activities described in the tasks above. Discuss any differences between project goals and objectives and actual project results.
 - Provide an explanation for tasks that were not completed or any out-of-scope work.
 - Include a project map, data, and/or photos that document the project.
- b. Summarize any problems encountered and solutions adopted. What would you do differently?

4. Resource and Public Benefits: Describe the project's overall benefits. What are the anticipated and realized benefits to resources and to the local and regional area of the completed project? Were these benefits realized? If not, explain why.

5. Grant Agreement Administration and Project Costs:

- a. Work schedule: Compare the time allotted for project completion with the actual schedule. Identify delays and discuss the reasons for delays.
 - b. Budget: Include a table that summarizes how the monies were spent by budget category or task as described in Attachment B and funding source (i.e. DNRC, Sponsor, other State or federal agencies). Explain cost overruns or savings. Discuss unbudgeted expenses that arose over the course of the project.
 - c. Match Funds: Identify all funds from other sources or in-kind services that were used to fund the project. If not all matching funds were spent provide a justification.
- 6. Project Completion and Certification:**
- a. Recipient's Certificate of Compliance (must be signed for all projects).
 - b. As Built Drawings, if requested by the DNRC (construction projects only).
 - c. Engineer's Statement of Final Completion (if applicable).
 - d. Deliverables: List here if any.
- 7. Final Report submitted electronically (PDF)**

Reporting and reimbursement templates and training materials are provided on DNRC [Resources and Training](#) webpage.

APPENDIX E: EXAMPLE MEMORANDUM OF UNDERSTANDING

Note: This example should not simply be copied. It is only provided as an example to help create an agreement between a local government entity and project partner organization or subrecipient that is to be reviewed and approved by all parties and their attorney's.

THIS CONTRACT is entered into by (Insert Name of LOCAL GOVERNMENT), herein referred to as "LOCAL GOVERNMENT", and the (Insert Name of PARTNER ORGANIZATION), herein referred to as "PARTNER ORGANIZATION".

WITNESSETH THAT:

WHEREAS, the LOCAL GOVERNMENT is the recipient of a DNRC grant to PROJECT NAME (describe the Project) owned and operated by the PARTNER ORGANIZATION; and

WHEREAS, this Contract between the LOCAL GOVERNMENT and the PARTNER ORGANIZATION will enable them to enhance cooperation in implementing the LOCAL GOVERNMENT's DNRC award to accomplish the above-described project; and

WHEREAS, the LOCAL GOVERNMENT, in its capacity as a DNRC grantee, has determined that the PARTNER ORGANIZATION can better supervise the design and construction phases of the PROJECT NAME; and

WHEREAS, the DNRC has required the LOCAL GOVERNMENT to enter into a contract with the PARTNER ORGANIZATION specifying the terms and conditions of the LOCAL GOVERNMENT's delegation of certain DNRC grant management responsibilities to the PARTNER ORGANIZATION; and

WHEREAS, both parties to this Contract understand that neither local government involved herein has in any way, expressly or implied, abrogated any of its individual powers, and that this Contract does not create any new organization or legal entity.

NOW, THEREFORE, THE LOCAL GOVERNMENT AND THE PARTNER ORGANIZATION MUTUALLY AGREE AS FOLLOWS:

I. Responsibilities Delegated to the PARTNER ORGANIZATION

- A. The PARTNER ORGANIZATION will, subject to prior approval by the Board of LOCAL GOVERNMENT Commissioners/Directors, retain the services of a consulting engineering firm to design and supervise the construction of the project.
- B. The PARTNER ORGANIZATION will be responsible for all facets of the design and construction phases of the project, including the following:
 - 1. Design engineering;
 - 2. Construction engineering;
 - 3. Except as provided by paragraph IV. Administration below, compliance with all applicable state and federal requirements;
 - 4. Except as provided by paragraph IV. Administration below, compliance with all other state and federal requirements as described in the DNRC Grant Agreement;

5. Preparation of construction bid documents; and
 6. Supervision of the bid process, the awarding of construction contracts, and construction of the project. The selection of the project contractor will be subject to the ratification of the LOCAL GOVERNMENT Board of Commissioners/directors and bid solicitation documents will reflect this requirement.
- C. The PARTNER ORGANIZATION and its consulting engineer will receive, review, and approve all requests for payment for the items contained in paragraph B, above, and prepare and submit such requests to the LOCAL GOVERNMENT Board of Commissioners/directors in a timely fashion in accordance with established procedures.
- D. During the term of this Contract, the PARTNER ORGANIZATION will maintain reasonable records of its performance hereunder in a manner consistent with generally accepted accounting principles. The PARTNER ORGANIZATION will allow the LOCAL GOVERNMENT and DNRC and their authorized representatives access to these records at any time during normal business hours. At the request of the LOCAL GOVERNMENT, the PARTNER ORGANIZATION will submit to the LOCAL GOVERNMENT, in the format prescribed by the LOCAL GOVERNMENT, status reports on its performance under this Contract.
- E. The PARTNER ORGANIZATION will provide documentation that the local share of the project that exceeds DNRC funds may be accessed by the LOCAL GOVERNMENT for the project no later than the time of construction bid award.
- II. Payment of Design and Construction Costs Incurred by the PARTNER ORGANIZATION

In consideration of the PARTNER ORGANIZATION's acceptance of the responsibilities described in paragraph I, above, the LOCAL GOVERNMENT agrees to the following:

- A. Upon receipt of a valid claim for payment from the PARTNER ORGANIZATION for allowable project costs as specified in the LOCAL GOVERNMENT's grant agreement with DNRC, a copy of which is appended as Attachment A of this Contract, and which by this reference is made a part hereof, the LOCAL GOVERNMENT will request the required amount of grant funds from DNRC and upon receipt of these funds, the LOCAL GOVERNMENT will honor the PARTNER ORGANIZATION's claim and pay the engineer or contractor accordingly. ***(Note: Be sure to specify clearly that grant funds can be reimbursed directly to contractors and not to entities ineligible to receive DNRC grant funds.)***
- B. Each payment for engineering and construction costs will be drawn from DNRC and PARTNER ORGANIZATION funds (if applicable) in amounts that are proportionate to the percentage that such funds represent of the total cost of the project as specified in Exhibit B of Attachment A.
- C. The LOCAL GOVERNMENT will deduct a retainage from each payment request equal to five percent of the request, submitted by the PARTNER ORGANIZATION for construction costs incurred by the project contractor and hold this retainage until construction is completed, the engineer approves final payment, and the project is accepted, all in accordance with the conditions of the construction contract. ***(Note: A retainage requirement is optional.)***

- D. The LOCAL GOVERNMENT will also withhold one percent of the amount of any claim submitted by the contractor and will forward this amount to the Montana Department of Revenue pursuant to section 15-50-206(2), MCA.
- E. The LOCAL GOVERNMENT may refuse to pay any claim which it deems not valid under the terms of the DNRC grant agreement (Attachment A). Any agreement between a DNRC grantee and a partner organization or subrecipient, such as a water or sewer district, should include a "Scope of Work" which includes a description of the work to be performed, a schedule for completing the work, and a budget. (These items are standard components of any DNRC grant agreement which is referred to here as an attachment.)

III. Duration of the Contract

- A. This Contract takes effect when the following conditions are satisfied:
 - 1. DNRC and the LOCAL GOVERNMENT Board of Commissioners/directors have executed the DNRC grant agreement;
 - 2. The LOCAL GOVERNMENT Attorney and the attorney for the PARTNER ORGANIZATION have approved this Contract as to form and content; and
 - 3. The LOCAL GOVERNMENT Board of Commissioners/directors and the PARTNER ORGANIZATION's governing body have each reviewed this Contract and agreed fully to its terms and conditions.
- B. This Contract will terminate 90 days after the project engineer files a certificate of completion of the project with the Montana Department of Environmental Quality and Department closes out the DNRC project with the LOCAL GOVERNMENT.

IV. Administration

For purposes of implementing the joint undertaking established by this Contract, the LOCAL GOVERNMENT's Board of Commissioners and the PARTNER ORGANIZATION's Board of Directors hereby agree to coordinate with the LOCAL GOVERNMENT's DNRC grant agreement liaison, the project engineer, and a designated representative of the PARTNER ORGANIZATION. These individuals may meet on a regular basis during the term of the DNRC project to provide for the efficient and effective implementation of this project.

V. Management of Real Property or Equipment Acquired

The primary purpose of this Contract is to allow the LOCAL GOVERNMENT to delegate responsibility for the design and construction of the PARTNER ORGANIZATION's project to the PARTNER ORGANIZATION and to define the procedures by which the LOCAL GOVERNMENT will disburse DNRC funds to pay the costs incurred as a result of these activities. The PARTNER ORGANIZATION's facilities will be constructed or improved as described in the DNRC grant agreement (Attachment A) and the PARTNER ORGANIZATION may continue to own and operate those facilities subject to the limitations contained in subparagraph B.

Upon the expiration of this Contract the PARTNER ORGANIZATION will transfer to the LOCAL GOVERNMENT any DNRC funds on hand at the time of expiration and any accounts receivable attributable to the use of DNRC funds.

VI. Indemnification

The PARTNER ORGANIZATION waives any and all claims and recourse against the LOCAL GOVERNMENT, including the right of contribution for loss or damage to persons or property arising from, growing out of or in any way connected with or incident to the PARTNER ORGANIZATION's performance of this Contract except claims arising from the concurrent or sole negligence of the LOCAL GOVERNMENT or its officers, agents, or employees. The PARTNER ORGANIZATION will indemnify, hold harmless, and defend the LOCAL GOVERNMENT against any and all claims, demands, damages, costs, expenses, or liability arising out of the PARTNER ORGANIZATION's performance of this Contract except for liability arising out of the concurrent or sole negligence of the LOCAL GOVERNMENT or its officer's agents, or employees.

VII. Suspension and Termination

The LOCAL GOVERNMENT may suspend or terminate this Contract if the PARTNER ORGANIZATION materially fails to comply with any term of the LOCAL GOVERNMENT's grant agreement with DNRC. In addition, the LOCAL GOVERNMENT may terminate this Contract for convenience with reasonable notice. This Contract has been approved by the LOCAL GOVERNMENT's Board of Commissioners and the PARTNER ORGANIZATION's Board of Directors.

(Name of LOCAL GOVERNMENT) Commissioners

_____Chairman

Date: _____

_____Commissioner

Date: _____

_____Commissioner

Date: _____

APPENDIX F: PROCUREMENT LIMITS - LIMITED SOLICITATION WORKSHEET

When considering which rules to follow (state, federal or local requirements), grant recipients must comply with the most restrictive requirements. The information below is guidance only and is static. It does not constitute legal advice.

	State of Montana		
	<i>Goods & Services MCA Title 18, Chapter 4</i>	<i>Construction MCA Title 18, Chapter 4</i>	<i>Licensed Professional Services MCA Title 18, Chapter 8</i>
\$250,000 +	Competitive Invitation for Bid (IFB) or Request for Proposals (RFP) Award to lowest responsive bidder	Competitive Invitation for Bid (IFB) Award to lowest responsive bidder	Request for Qualifications (RFQ) Award to most qualified & negotiate rate
\$100,000 - \$250,000			
\$50,000 - \$100,000	Limited Solicitation Minimum of 3 Quotes Award to lowest responsive bidder	Limited Solicitation Minimum of 3 Quotes Award to lowest responsive bidder	Direct negotiation Rotate vendors
\$10,000 - \$50,000			
\$0 - \$10,000	Direct negotiation No Quotes Rotate vendors	Direct negotiation No Quotes Rotate vendors	

*IFB = Invitation for Bid AKA Sealed Bids (Construction)

*RFP = Request for Proposals AKA Competitive Proposals (Goods or Services)

*Limited Solicitation AKA Small Purchases = 3 or more written or oral quotes

**RFQ = Request for Qualifications (Professional Services)

Direct negotiation, micro purchases = no bidding required

LIMITED SOLICITATION / SMALL PURCHASE WORKSHEET

Grant Recipient: _____
 Project Name: _____
 Grant Agreement #: _____

<u>PRODUCT/WORK DESCRIPTION</u>	<u>BRAND/MODEL (Equipment)</u>		
	Vendor 1	Vendor 2	Vendor 3
Vendor Name	1.	1.	1.
Contact Person	2.	2.	2.
Phone/Email	3.	3.	3.
Date of Outreach	4.	4.	4.
Price Quoted			
Vendor Awarded*			

Three attempts to contact can be considered a quote price of “no response” and no additional attempts are required.

*Work should be awarded to the most cost-effective option that can provide the work/supplies required. Items such as shipping charges and travel distances should be included in determination of the most cost-effective option.