

Rate of Reimbursement and Match Calculation

The RATE OF REIMBURSEMENT is calculated as the percentage of the LWCF GRANT amount in relation to the TOTAL PROJECT COST established by the APPLICANT at the time of APPLICATION.

For each payment request, OGALS can only reimburse this set percentage of ELIGIBLE COSTS listed on a Grant Expenditure Form by the GRANTEE.

Common Rate of Reimbursement issues

1. Once the GRANT is OBLIGATED by NPS, the RATE OF REIMBURSEMENT cannot be changed.
2. The RATE OF REIMBURSEMENT becomes an issue for GRANTEES when the actual final TOTAL PROJECT COST is less than the TOTAL PROJECT COST identified in the APPLICATION.
3. If the actual final TOTAL PROJECT COST is less than the TOTAL PROJECT COST identified in the APPLICATION, the GRANT reimbursement will also be less than the original GRANT amount.
 - For example, if the TOTAL PROJECT COST identified in the APPLICATION is \$2,000,000, and the GRANT amount is \$1,000,000, the RATE OF REIMBURSEMENT is 50%.
 - If the actual final TOTAL PROJECT COST is \$1,700,000 (instead of the \$2,000,000 estimated at the time of APPLICATION), then 50% of \$1,700,000 will be reimbursed.
 - In other words, the final GRANT amount paid by NPS will be \$850,000, not \$1,000,000, because the actual final TOTAL PROJECT COST is \$1,700,000, not \$2,000,000. While the TOTAL PROJECT COST may change, the RATE OF REIMBURSEMENT cannot be changed.

Solutions to avoid these common issues

ACQUISITION: The rate is typically not a problem for ACQUISITION PROJECTS if the purchase price is agreed upon with the land owner at the time of APPLICATION, because the TOTAL PROJECT COST will be known.

DEVELOPMENT: For DEVELOPMENT PROJECTS that have not yet gone out to bid, OGALS recommends underestimating the TOTAL PROJECT COST at the time of APPLICATION. Thus, if the actual, the final TOTAL PROJECT COST is more than the “underestimated” TOTAL PROJECT COST established the time of APPLICATION, the full GRANT amount can be reimbursed with the ELIGIBLE COSTS submitted.

Rate of Reimbursement and Match Calculation Worksheet

This technical assistance worksheet is not an APPLICATION form requirement.

RATE OF REIMBURSEMENT Calculation: (If a GRANT REQUEST RANGE is established, the formula below is used for any possible GRANT amount within the GRANT REQUEST RANGE divided by the TOTAL PROJECT COST.)

$$\begin{array}{rcl} \text{GRANT amount} & \$ & \underline{\hspace{2cm}} \\ \text{Divided by } \div & & \\ \text{TOTAL PROJECT COST} & \$ & \underline{\hspace{2cm}} \\ \text{Equals } = & & \\ \text{RATE OF REIMBURSEMENT} & \underline{\hspace{2cm}} & (0.00 \text{ Decimal}) \end{array}$$

NPS converts this decimal into a percentage, and the percentage is called the RATE OF REIMBURSEMENT. GRANT reimbursements will be calculated using the above decimal, multiplied by the total ELIGIBLE COSTS listed on the Grant Expenditure Form. See the Grant Expenditure Form found in the Grant Administration Guide.

Example

GRANT amount requested is \$1,000,000. TOTAL PROJECT COST established at the time of Application is \$3,000,000.

\$1,000,000 divided by \$3,000,000 = .33, meaning the RATE OF REIMBURSEMENT is 33%. In this example, the Total Costs shown on Grant Expenditure Forms for reimbursement payment requests will be multiplied by .33, so 33% of the Total Costs will be reimbursed until the total GRANT amount is reimbursed at final payment and \$3,000,000 has been accounted. However, if the actual TOTAL PROJECT COST ends up being \$2,800,000, only 33% of \$2,800,000 will ultimately be reimbursed by NPS.

MATCH Calculation:

$$\begin{array}{rcl} \text{TOTAL PROJECT COST} & \$ & \underline{\hspace{2cm}} \\ \text{Subtracted by } - & & \underline{\hspace{2cm}} \\ \text{GRANT amount} & \$ & \underline{\hspace{2cm}} \\ \text{Equals } = & & \\ \text{MATCH} & \$ & \underline{\hspace{2cm}} \end{array}$$

Grant Request Range

APPLICANTS are encouraged to establish a GRANT REQUEST RANGE using the APPLICATION Form on page 21, the GRANT SCOPE/Cost Estimate Form on page 27 and additional guidance on the MATCH and RATE OF REIMBURSEMENT Form found on the next two pages.

The GRANT REQUEST RANGE is:

- Maximum of Range: 50% of the TOTAL PROJECT COST, up to \$3,000,000 per APPLICATION.
- Minimum of Range: The lowest amount that the APPLICATION is willing to accept, that is less than 50% of the TOTAL PROJECT COST.

Example of a GRANT REQUEST RANGE:

- TOTAL PROJECT COST is \$6,000,000.
- APPLICANT'S maximum request is \$3,000,000, and minimum request is \$100,000.
- In this example, OGALS may recommend the grant to NPS for any amount in between the \$100,000 to \$3,000,000 of the APPLICANT'S GRANT REQUEST RANGE.

Purpose and use of the GRANT REQUEST RANGE:

1. The LWCF is a reimbursement-only program, in which the funding sources to "cash-flow" 100% of the TOTAL PROJECT COST must be identified at the time of APPLICATION. Therefore, LWCF provides flexibility for a GRANT REQUEST RANGE because NPS will reimburse as high as 50% and as low as 1% of the TOTAL PROJECT COST (see the RATE OF REIMBURSEMENT explanation below). **The GRANT REQUEST RANGE enables the APPLICANT to communicate the highest desired, and lowest acceptable, amount of funding assistance requested through the APPLICATION.**
2. The APPLICANT'S GRANT REQUEST RANGE also provides flexibility for OGALS to recommend and for NPS to fund projects based not only on the upcoming APPORTIONMENT TO CALIFORNIA, but also based on any UNOBLIGATED FUNDS or SPECIAL REAPPORTIONMENT ACCOUNT funds from previous APPORTIONMENTS TO CALIFORNIA
3. Submitting an eligible APPLICATION does not guarantee funding even at the APPLICANT'S minimum amount of the GRANT REQUEST RANGE. OGALS cannot predict statewide competition, or the amount of each annual APPORTIONMENT TO CALIFORNIA, or possible UNOBLIGATED FUNDS or SPECIAL REAPPORTIONMENT ACCOUNT funds that may or may not become available each federal fiscal year.
4. OGALS may recommend GRANT funding to NPS for any amount within the GRANT REQUEST RANGE established by the APPLICANT. OGALS will not recommend GRANT funding to NPS for an amount that is less than or exceeds the GRANT REQUEST RANGE established by the APPLICANT.
5. Establishing a GRANT REQUEST RANGE is voluntary and is not required; however, it is encouraged for this GRANT program. If an APPLICANT does not want to establish a GRANT REQUEST RANGE, it may leave the "minimum GRANT request" blank on all APPLICATION forms. This approach signifies that the APPLICANT is not willing to accept any amount less than the "maximum GRANT request".