State Cost Share Approvals Have Been Announced: Now What?

Below are steps for the conservation district to follow after receiving notification from the Division of Conservation that State Cost Share (SCS) applications from your county have been approved. This list is not exhaustive. If you have any questions regarding the SCS process, please contact the local Division of Conservation field representative.

After applications are approved, each conservation district should:

1. Notify all applicants of the approval or denial of their application. This should include any additional information pertaining to their project, such as if a soil sample is needed, etc.

2. Update their monthly SCS report and any internal tracking sheets with the new approval information.

3. Notify any partner agencies that provide technical assistance that applications have been approved or denied.

4. Work with technical assistance staff to complete plans, engineering designs, and other materials for the landowner. The district should retain records on site of all documents relating to a SCS contract, including the application, an Ag Water Quality Plan, designs, maps, and other related documents.

5. Assist with scheduling a follow-up field visit to complete tasks such as engineering designs and to ensure that the applicant understands and can install/implement their SCS BMP(s).

6. Ensure that landowners have electronic or paper copies of their Ag Water Quality Plan, designs, maps, and other needed documents. Notify applicants that they have *one year* to complete BMP installation (provide due date as received from DOC).

7. Ask the landowner to contact technical assistance staff or the conservation district when they are ready to begin BMP installation.

8. Reach out to the applicant either via mail, email, or phone 6 months after application approval to remind them of their project and to see if they have begun practice installation.

9. Complete and submit a modification request if changes must be made to the approved practices. This request should be completed and approved before work begins on the changed practices.

10. At least 1 month prior to the end of the first contract year, reach out to the applicant to gauge installation progress or determine if an extension is warranted.

11. Receive extension requests from the applicant. These requests should be written by the applicant to the conservation district.

12. Send all extension requests to the Division of Conservation email address (conservation@ky.gov) using the forms in the most recent *State Cost Share District Forms Workbook*.
    a. All the names/contracts that are requesting an extension should be included on the *State Cost Share Extension Request Form*.
    b. County name, month, and year should be included in the spaces provided at the top of the form.
    c. The full practice ID number (format: 2025-000-12345), name of participant, the practice category (e.g. Cropland, Livestock, Pastureland, etc.), and the reason for the extension request should all be included.
    d. The extension requests from the applicant should be submitted in the same email, preferably in pdf file format. Make sure the name is legible and includes the full contract ID number on each document.

13. Consider voting to cancel the contract if the 1-year deadline has passed, and the conservation district cannot reach the landowner after multiple attempts. This should be noted in the meeting minutes.

14. Send all cancellation requests to the Division of Conservation email address (conservation@ky.gov) using the forms in the most recent *State Cost Share District Forms Workbook*.
    a. All the names/contracts that are requesting cancellation should be included on the *Cancellation Request Form*.
    b. County name, month, and year should be included in the spaces provided at the top of the form.
    c. The full practice ID number (format: 2025-000-12345), name of participant, the practice category (e.g. Cropland, Livestock, Pastureland, etc.), and the reason for the cancellation request should all be included.
    d. The cancellation requests from the applicant should be submitted in the same email, preferably in pdf file format. Make sure the name is legible and includes the full contract ID number on each document.
    e. Cancellation requests that were voted on by the board due to no response from the application should include the meeting minutes showing the board's action.

15. Update the landowner on approval of extension with new completion due date or of cancellation of contract.

16. Follow steps 11 and 12 above, if the landowner needs a second extension.

17. Track all schedules for extensions and deadlines.

18. Continue to remind applicants that all projects must be completed within 2 years. There are no extensions granted beyond the second extension.

After the practices are completed, the conservation district should:

1. Schedule a final field visit when the applicant has completed their project.

2. Contact the technical assistance provider to certify the practices were installed and implemented correctly.

3. Ensure that all receipts have been submitted. Approved applicants will be reimbursed for 75% of the receipts that are presented of the applicant's actual expenses. This total expenditure may be more or less than their original estimate at the time of application. No contract payment requests may exceed the $20,000 State Cost Share annual contract limit. If a payment exceeds the original cost share estimate, a *Cost Overrun Form*, located in the *State Cost Share District Forms Workbook,* should be completed and submitted to DOC.

4. Vote to approve the contract for payment.

5. Submit by e-mail the payment request to Conservation@ky.gov. Forms needed are found in the *State Cost Share District Forms Workbook.*
    a. Include the payment form paperwork with *all* required signatures and all information correctly filled out. Include the county name, month, and year in the spaces provided at the top of the form. Provide the full practice ID number (format: 2025-000-12345), applicant's name as it appears on the application (no nicknames or alternate names), the practice category (e.g. Cropland, Livestock, Pastureland, etc.).
    b. Include the payment summary breakdown, copies of all receipts (must be legible and the applicant's name must be written on each receipt). This is very important, especially when requesting multiple payment requests at once. Any items on the receipts that do not apply to the request must be redacted and the totals reconfigured. Show any calculations done and *include a total summary page for the receipts*.
    c. When scanning, create one pdf document with these items in this order.
        a. The four-page *State Cost Share Payment Form*
        b. All receipts
    d. Email this request to Conservation@ky.gov with the subject of **State Cost Share Payment Request** and the county name.

6. Wait for the payment request to be confirmed and approved by the Division of Conservation.

7. Receive an automated email from the Finance Cabinet showing the deposit is in process. The Division of Conservation will also send out an approval email showing the amounts approved for payment and for whom.

8. Disburse the funds to the approved applicants.

9. Update the monthly state cost share report with the check number and payment status.

Things to Remember

1. The conservation district needs to maintain records of all SCS applications and contracts at the conservation district office. This may be electronic or hard copy.

2. The conservation district must submit monthly cost share reports, cancellation requests, extension requests, and modification requests on separate workbook pages.
    1. Do not send the entire workbook in for multiple items. For example, when sending in a cost share report, do not also have an extension request in the same workbook. Send extension and other requests separately.
    a. Please send in all reports and requests in pdf file format if possible. This will greatly reduce processing time as all documents received are being converted to pdf file format and saved with the date of receipt. Example: 02252024-State Cost Share Report-County Name. The *Print to PDF* function from the print command in Excel is an excellent tool for this.

3. The conservation district must submit a monthly SCS report.
    a. Be sure to maintain all paid/cancelled/expired contracts on the monthly cost share report for the two-year duration the applicant would be eligible, and do not remove any approved applicant for any reason until the two-year period has expired.

4. Cancelled applications need to be submitted to the Division of Conservation with a written explanation as soon as possible.
    a. Use the *Cancellation Form* in the *State Cost Share District Forms Workbook*. The form should still be completed if the project is cancelled by the district for failure to no response.

5. Modifications should be submitted as soon as it is known that changes need to be made to the project as approved. The *Modification Request Form* is in the *State Cost Share District Forms Workbook*. There is also a standalone version of the form that has features (dropdown lists) that make it somewhat easier to use. Please include county name, month, and year at the top in the spaces provided. Provide the full practice ID number,

participant name, reason for the modification, and tech notes, if applicable.

Modifications should be approved by the conservation district board. Modifications are needed when:

a. A practice is deleted. *For example*, if the applicant applied for fence and a heavy use area but no longer wants to implement the heavy use area, the application needs to be modified and reranked. If the new score falls below the approval threshold for the funding cycle, the modification will be denied.
b. A practice is added. *For example*, if an application is approved for fencing livestock out of a stream, and after approval it is determined that the operation now needs a water facility to replace that water access, then a modification may be completed to add that water facility and necessary pipeline to the contract.
c. A practice's units are changed. *For example*, if the landowner applied for 700 feet of fence but needed 1,500 feet of fence, the modification request should be submitted before BMP installation. If unit changes are the only change to the project, there is a 20% allowance both above and below the original amount. In other words, if all practices remain on an application, and the units of one practice change, and the change is within 20% of the original approval, no modification is needed.

6. *Cost Overrun Forms* are to be used when the landowner exceeds the original estimate for their project.
    a. Landowners will be reimbursed for 75% of their ACTUAL receipts. Using the *Cost Overrun Form* helps the Division of Conservation better understand the costs of implementing practices and can assist us in adjusting our price lists when needed.
    b. Cost overruns need to be voted on and approved by the board.

7. When in doubt, contact the Division of Conservation field representative.