



Acquisition Program - Contract Administration Manual

for State Agencies and Property Transferred to State at Closing

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Introduction

This document is intended to give you information you need to administer your NCLWF grant contract.

Your grant administrator is your key contact at NCLWF for completing your project and you are welcome to contact them any time you have questions or need more guidance.

This guidance is intended for State Agencies and Grant Recipients who are transferring property to the State at the time of Closing.

FAQs

Contracts

1. What am I responsible for?

You are responsible for understanding and administering the contract. This includes:

- reviewing draft versions of the contract
- having the final contract signed
- ensuring all pre-disbursement, pre-closing, and post-closing documents are prepared in coordination with State Property Office, and submitted correctly
- submitting quarterly progress reports, and
- submitting final documents and reports

2. When and how will I receive my contract?

After the Board of Trustees' funding decisions, NCLWF staff will prepare and forward to you a draft grant contract. You are responsible for reviewing the draft grant contract and working with your NCLWF contract administrator to finalize the contract.

Once the grant contract is finalized, you will receive instructions for signing and returning the contract to NCLWF. NCLWF will have it signed by the NCLWF board chairman and executive director.

After the contract is fully executed you will receive an email letting you know it is executed. Your contract will be available to you in NCLWF's online grants management system (GMS).

3. When can I start on the work?

It is best to wait until you have a copy of the fully executed contract. However, any approved expense incurred after the Award Date (date of the Trustees' funding decision) is eligible for reimbursement or credit toward matching funds, after contract execution, as long as the work is acceptable to NCLWF.

4. How do I handle changes to the project that were not disclosed or known at time of application?

All conditions must be discussed with and approved by NCLWF and the State agency receiving the property prior to closing with the State. Call your contract administrator as soon as you know this information so that discussions can begin. A change in reserved rights may require NCLWF board approval.

5. What if the project is delayed and I need to extend the grant contract?

Use the Change Request form in GMS to propose a new end date and explain the reason for the extension. NCLWF staff will consider the reason for the request as well as evaluate how much progress has been made before approving or denying the extension. Be sure to attach an updated progress report to the extension request.

6. How do I submit Progress Reports?

Quarterly reports must be submitted quarterly until the grant contract is complete.

To submit a progress report, click here:

<https://fs24.formsite.com/NCLWF/vrmhpbvm7/index.html>Payments

A request for funds is called a claim in the EBS grants management system

Payments will not be processed if progress reports are not up to date. All claims for reimbursements are submitted through our grants management system (GMS).

7. When can I submit a claim?

Transaction and Administrative costs - You may request funds for transaction and administrative costs prior to, after, or at the same time you request funds for the fee simple or conservation easement acquisition. All requests must be substantiated with invoices.

Acquisition costs - You may request funds for acquisition of fee simple or conservation easement after the pre-closing documents have been approved and you have received authorization to close from SPO and NCLWF.

8. How do I submit a claim?

All claims must be requested through GMS. Do not email or mail fund requests to NCLWF.

All requests must be substantiated with invoices and settlement statements for both reimbursed funds and match. If you are not able to access the GMS, contact NCLWF.

Acquisition/Closings

9. How does the closing with the State work?

State Property Office (SPO) agents will review closing documents and coordinate required approvals prior to the State accepting the property.

Non-profit organizations or local governments may purchase the property and immediately transfer the property to the State through a second closing or may transfer grant proceeds to a closing attorney hired by the State for closing.

10. When can I purchase the property or conservation easement (referred to as “Closing”)?

State agencies will rely on State Property Office (SPO) to purchase the property.

For non-State organizations, SPO agents will review closing documents and coordinate required approvals prior to the State accepting the property. It is strongly recommended you wait until all closing documents

have been approved by SPO and you receive approval to close from NCLWF. Closing before approval is done at your risk of not transferring the property and/or not being reimbursed if any issues with the property or closing documents cannot be resolved.

11. What if I purchased the Property before approval from SPO?

SPO will conduct its due diligence before accepting the property. You should coordinate the review with SPO to the extent SPO requests.

If you purchase property without approval from SPO and NCLWF, you risk not being able to transfer the property to the State and not being reimbursed.

GMS Grants Management System

For questions concerning GMS, refer to the GMS Help Document https://files.nc.gov/NCLWF/Docs/help_doc_may2017.pdf

Stewardship and Management Responsibilities

12. What is my organization's long-term monitoring responsibility?

State Agencies

State agencies must work with staff of Natural Heritage Program to dedicate qualifying areas of the property under the State Nature Preserves Act.

Non-profit Organizations

When property is transferred to the State for ownership and management immediately after closing, the State become responsible for managing and monitoring the property. Non-profit organizations are not responsible for monitoring the property unless there is a separate obligation to a party outside the State.

Pre-Disbursement Documents

This typically applies only to non-profit organizations, but all Grant Recipients should review Exhibit C of the Grant Contract to determine if there are documents that must be submitted before any funds can be disbursed.

NCLWF is required to maintain the documents listed below from non-profit organizations before disbursing any grant funds. The documents are also listed in Exhibit C of the grant contract.

- Articles of Incorporation
- Notarized Conflict of Interest Policy
- IRS Letter of Determination of Tax-Exempt Status
- Incumbency Certificate
- Most recent Annual Audit

These documents are maintained on file by NCLWF and are not required with each grant contract; however, it is your responsibility to notify NCLWF of any updates, amendments and/or changes as they occur, as well as provide an annual update.

These documents must be submitted using FormSite. Click [HERE](#) for guidance on using FormSite to submit required documentation and complete the annual update form.

Acquisition Closing Process

NCLWF has 3 phases and 5 major steps to complete the acquisition “closing”. Your contract administrator will coordinate this process. **See Appendix D of this document for detailed illustration.**

Phase	Step	Overview
Pre-closing	1. Conference call with SPO and NCLWF	Grant recipient schedules a conference call between grant recipient, NCLWF contract administrator, and SPO agent to coordinate workload and project schedule
	2. State Property Office (SPO) review	Grant recipient submits appraisal(s) to NCLWF through Formsite for review by SPO, as necessary SPO agents will coordinate the preparation and review of documents: Council of State approval, title review, title commitment, settlement statement, survey, ESA Phase I, deed, etc.
	3. Submit Documents and Claim	Grant Recipient uploads closing documents through Formsite and receives approval to close from NCLWF. Grant Recipient submits claim through GMS and attached invoices in GMS
Closing	4. a) Closing attorney for the State purchases the property b) Non-profit purchases the property and immediately transfer property to the State	State agencies rely on the closing attorney hired by the SPO for the purchase of the property. Non-profit organizations may transfer proceeds of the grant contract to the State’s closing attorney or may purchase the property and immediately transfer the property to the State through a second closing.
Post-closing	5. Project closeout	Grant recipient submits post-closing documents and a final report through Formsite .

Timeline

The timeframe to close on the property will be determined by the workload and schedule of SPO. Funds from NCLWF should be requested 2 weeks prior to closing.

See Exhibit A: Acquisition Closing Workflow for detailed illustration of the Closing process.

Step 1. Conference call with SPO and NCLWF

Step 2. State Property Office Review

Step 2 is completed after appraisal(s) and other documents are approved by SPO.

NCLWF will not participate in an acquisition in which a non-profit organization pays a landowner a value greater than an approved value derived through an appraisal.

NCLWF must have a purchase value supported by an appraisal. If SPO has ordered an appraisal, NCLWF should be made aware of it. If a non-profit organization or local government is the grant recipient, and has ordered an appraisal, it should be submitted to NCLWF through Formsite.

Appraisals

submitted to NCLWF via Formsite as soon as they are available:

<https://fs24.formsite.com/NCLWF/vrmhpbjvm7/index.html>

Purchase price for acquisition by or for State Agencies may rely on Yellow Book appraisals or the requirements detailed below. Purchase price may also be established by negotiated agreements or settlements, or by purchase price approved by Council of State. If no value is approved by COS (or if the acquisition is represented as a “gift”), appraisals must be used to determine purchase price.

Two (2) appraisals are required if the fee simple value or the easement value of the property (including NCLWF and matching funds) is equal to or greater than \$500,000.

- (1) The State must be included as an authorized user of the appraisal.
- (2) Appraisals must cover all of the property in the project and multiple appraisals must cover the same acreage.
- (3) The appraisal must be performed by a NC general certified appraiser.
- (4) The appraisal must be a summary appraisal in narrative form in accordance with Uniform Standards of Professional Appraisal Practice.
- (5) The appraisal should reflect the market value of the property or the conservation easement.
- (6) Appraisals of conservation easement should reflect the “before and after” approach, indicating the value before and after the easement is recorded on the property.
- (7) All appraisals are reviewed by the State Property Office. Once approved, Grant Recipients will receive an appraisal review memo. This should have been received before submission of the pre-closing package on Formsite.
- (8) Once appraisals are complete, they should be submitted to NCLWF via Formsite. Once received, copies will be sent by NCLWF staff to the State Property Office for review.

The approvals include Government Operations, Council of State, and Attorney General’s office. The approvals will be coordinated and SPO.

Closing Document Preparation and Review

The following is a list of documents that are required. Most of these are prepared or ordered by a State Agency’s SPO agent. During the initial conference call, all parties should be aware of who will be responsible for documents since often non-profits will begin the due diligence during the application review period.

- Council of State approval
- title review
- title commitment
- survey
- warranty deed

NCLWF Acquisition Program – Contract Administration for State Closings, Revised September 2021

- settlement statement
- ESA Phase I (optional, according to policy of State agency)
- appraisal review*

* appraisal review either submitted by SPO agent or submitted to NCLWF and approved independent of other closing documents.

Step 3. Submit Closing Documents and Claim

The Grant Recipient is responsible for submitting Closing Documents (listed in Step 3.) to NCLWF **using Formsite**.
<https://fs24.formsite.com/NCLWF/vrmhpbvm7/index.html>

Step 3 is completed after documents are submitted and approved for closing and claims are approved by NCLWF, and funds are released.

Step 4. Purchase Property and Transfer to State, if necessary

State agencies will rely on the closing attorney hired by the SPO for the purchase of the property.

Non-profit organizations may transfer proceeds of the grant contract to the state’s closing attorney or may purchase the property and immediately transfer the property to the state through a second closing.

Step 4 is completed once the property is purchased and in State ownership.

Step 5. Project Closeout

After Closing, the Grant Recipient should submit any remaining claims. It is your responsibility to submit recorded Closing documents to NCLWF as soon as possible.

The following documents must be submitted to NCLWF through **Formsite**:
<https://fs24.formsite.com/NCLWF/vrmhpbvm7/index.html>

- Title policy
- Recorded survey
- Final warranty deed
- Executed settlement statement
- Survey-base GIS shapefiles (.shp)
- .dwg file of survey
- Final Report

NOTE: *By signing the Final Report you are releasing any remaining funds and they will not be available to you for further claims. If you anticipate another invoice (such as legal fees or taxes), submit recorded documents but do not sign the Final Report until you have submitted the final claim in GMS.*

Media Guidance

Outreach Guidelines for Partners and Grant Recipients

It's vitally important that we get the message out about your and our successes so that we can continue providing grant assistance. In addition to placing signs recognizing NC Land and Water Fund (NCLWF), pursuant to the grant contract requirements, we strongly encourage you to use the press, social media, and your website to increase awareness of successful projects.

Recognizing NCLWF funding in news releases/media

The NCLWF encourages grant recipients and partners to issue local press releases from your organization announcing news such as:

- grants received from NCLWF
- projects completed using NCLWF funding
- land purchases completed using NCLWF grant funding

While NCLWF issues our own press releases through the Dept. of Natural and Cultural Resources when grants are awarded, you, as our partner, can often receive more recognition and attention for specific projects by issuing your own news releases to local media.

You know your local press and reporters best, and information from local sources is often better received than one of many press releases originating from a state agency. When writing press releases or conducting media interviews about NCLWF-funded projects, we ask that you include recognition of your NCLWF grant award in your information.

Here is some suggested language you can use for our program:

Funding for this project was provided by a \$X grant from the NC Land and Water Fund (NCLWF). The NC Land and Water Fund was established in 1996 awards grants to protect land for natural, historical and cultural benefit, limit encroachment on military installations, restore degraded streams, and develop and improve stormwater treatment technology.

Press Release Tips

If press releases aren't something you do a lot, our communications office has put together some tips:

- Share the most important information first – what are you announcing and why is it important?
- Grab the reader's attention with a good headline.
- Use active voice. ("The Trust Fund announced grants today" vs. "The grants were announced by the Trust Fund")
- Use plain language; avoid jargon and acronyms.
- Include quotes – perhaps a local government figure or someone in your organization. Never quote more than two people in a release.
- Keep it short and to the point. Reporters lose interest after about one page. You can include website links for more information.
- Have at least two people proofread your release before it goes out. Correct grammar and spelling are very important!
- Don't forget to include your contact information.
- Don't "drop and run." Send your release out early in the day, not at 5 p.m.

Recognizing NCLWF funding on websites

The NC Land and Water Fund encourages grant recipients and partners to recognize NCLWF as a funder of projects through posts on your websites. NCLWF requests that you include both a link to NCLWF's website NCLWF.nc.gov and

include NCLWF's logo on your website. The logo may be found on NCLWF's website, or you may contact NCLWF program managers.

NCLWF Logo Artwork

www.NCLWF.nc.gov/NCLWF-logo-artwork

APPENDIX A: ACQUISITION CLOSING WORKFLOW

ACQUISITION CLOSING PROCESS: Properties owned by the State at Closing

