

STATE WATER RESOURCES CONTROL BOARD

CLEAN WATER STATE REVOLVING FUND (CWSRF) PROGRAM AND DRINKING WATER STATE REVOLVING FUND (DWSRF) PROGRAM DISBURSEMENT REQUEST INSTRUCTIONS

This document provides instructions for requesting disbursement of funds associated with executed funding agreements. All disbursement requests must be done in accordance and consistent with the funding Agreement and any subsequent Amendment(s), as well as the applicable SRF Policy and Intended Use Plan.

WHEN TO REQUEST DISBURSEMENTS¹

For Planning Agreements and Amendments, the Request for Reimbursement/Disbursement (Form 260) and the Invoice (Form 261) will be provided, electronically, upon execution of the Agreement or Amendment, for the authorized representative or designee to submit requests for reimbursement of funds. Disbursement requests will be processed by the Division of Financial Assistance (DFA) after the Agreement or Amendment has been executed, in accordance with the terms of the Agreement or Amendment.

For Construction Agreements and Amendments, the Request for Reimbursement/Disbursement (Form 260), the Invoice (Form 261), and the Construction Contractor Spreadsheet (Form 259) will be provided electronically, upon execution of the Agreement or Amendment, to the authorized representative or designee to submit requests for reimbursement of funds. Disbursement requests will be processed by the Division of Financial Assistance (DFA) after the Agreement or Amendment has been executed, or a Final Budget Approval has been granted by the Division, in accordance with the terms of the Agreement or Amendment.

After execution of the Financing Agreement, the Recipient will be expected to submit reimbursement requests in a timely manner to ensure the timely and expeditious use of DWSRF and complementary funds. Costs submitted to the Division must be currently due and payable, but the Recipient does not need to have actually paid the costs before requesting reimbursement.

FINAL REIMBURSEMENT/DISBURSEMENT REQUEST

The final reimbursement request² date is established on the cover page or within the body of the Agreement or Amendment. The final reimbursement request must be received by the Division, no later than the date established in the Agreement or Amendment. **The Recipient must also include, or have previously submitted, the Project Completion Report with the submittal, per Section XIII of the Policy for Implementing the CWSRF or Section XIV of the Policy for Implementing the DWSRF and any other submittals/deliverables required under the Agreement.**

In the event a Recipient cannot submit the final reimbursement request by the date specified, the Recipient must submit a written request for extension to the Division's assigned Project Manager. The Division will evaluate all such requests. If the Division is agreeable and can grant an extension, the Agreement may be amended to establish a new final reimbursement request date.

¹ As used in this Appendix, the associated Policy, and relevant funding agreements, all references to "disbursement" requests include reimbursement requests, invoice submittal, or other types of requests for funds disbursement.

² "Final reimbursement request date" or "final disbursement request date" means the date set forth as such on the Cover Page of your Agreement, after which date, no further reimbursements or disbursements may be requested.

In the event the Division has not received the complete final reimbursement request by the deadline specified of the Agreement or Amendment, or the Division is unable to grant an extension, the Division may de-obligate the undisbursed balance of the Agreement.

AUTHORIZED REPRESENTATIVE

During the application process the Applicant/Recipient's governing body must adopt an Authorized Representative Resolution³, designating the person(s) serving as its Authorized Representative, authorized to sign specific documents related to the Agreement. The Form 260 lists the name and title of the Authorized Representative. To the extent authorized by the Authorized Representative Resolution, the Authorized Representative may name a designated representative (designee) as an alternate to the appointed Authorized Representative, to carry out certain acts. The Authorized Representative must provide a letter of explanation and indicate the title **and** name of the designee(s). This letter must either be on the Recipient's letterhead, signed and dated by the Recipient's appointed Authorized Representative, or be in email form from the Authorized Representative, in order to be effectual.

In the event that the Recipient wishes to change its Authorized Representative, a resolution authorizing the new representative by title must be submitted to the Division. **Note:** If the original Authorized Representative Resolution identified the Authorized Representative by title or position rather than by name, a new resolution may not be required when the person who holds that title or position changes. In such cases, a written correspondence confirming appointment will suffice.

CERTIFICATION OF EXPENDITURES

To comply with the 1986 Federal Tax Reform Act, Recipients must certify that (1) costs claimed have been incurred and that these costs have been paid or will be paid within thirty days of receipt of the funds requested, (2) if the costs have not been paid within 30 days, funds remaining will be returned to the State Water Resources Control Board (State Water Board), and (3) that all prior funds received from the Agreement have been disbursed within 30 days of receipt or have been returned to the State Water Board.

A Recipient's salaries, wages, and expenses, claimed for reimbursement, shall be based on actual costs incurred and not include a markup for profit. The actual costs of fringe benefits (costs such as social security taxes, health insurance, dental insurance, and long-term disability insurance) may be included in the hourly rate.

The authorized representative must sign the Certification of Expenditures on the Form 261, certifying that all amounts included in the invoice are for costs incurred for the Project, represent only costs directly related to the Agreement, and are within the approved scope of work and budget. Any indirect charges included in the request must be in accordance with the Agreement or Amendment. The Certification of Expenditures is included on the Form 261 under Recipient Certification.

COMPLETING FORM 260 -- REQUEST FOR REIMBURSEMENT

The Form 260 will be partially completed by DFA staff before being e- mailed to the Recipient. The Recipient must complete the following:

- (1) Enter the Invoice (submittal) Date

³ This document may also be known as an Authorizing Resolution.

- (2) Enter the Invoice Number (Disbursement No.)
- (3) Enter total for “Amount Claimed for Payment this Period” per budget line item

No other entries or adjustments to the form should be made.

COMPLETING THE FORM 261 -- INVOICE

- (1) Enter the Invoice (submittal) Date
- (2) Enter the Invoice Number (Disbursement No.)
- (3) Enter the Requested Reimbursement Amount
- (4) The Authorized Representative must sign and date the Recipient Certification portion of Form 261. The Form 261 can be signed with either a wet signature or digital signature if submittal will be done by mail. All electronic disbursement submittals must be signed using an acceptable digital signature only. The Authorized Representative should follow the Disbursement Electronic Submittal Procedures provided at execution of the Agreement, to learn how to setup an acceptable digital signature and submit request electronically.

No other entries or adjustments to the form should be made.

COMPLETING FORM 259 (if applicable) -- CONSTRUCTION CONTRACTOR SPREADSHEET

If reimbursement is being requested for construction, the Recipient must include (1) Form 259 (Construction Contractor Spreadsheet) and (2) a signed Construction Contractor’s Pay Estimate. **If changes are needed to the State Use section of the Form 259, please notify the Project Manager. All such changes must be performed and approved by DFA only.**

Form 259 will be partially completed by the DFA. The Recipient must:

- (1) Enter the submittal date.
- (2) Enter the Reimbursement Request Number (Invoice No.).
- (3) Complete Column (H) by entering the information provided from the contractor’s progress pay estimate using Total Costs Incurred to Date for each bid item. Once this amount is entered, it will automatically generate the percentage completed in Column (G) and Columns (K) and (M) will automatically generate. **Note: For reimbursement #2 and beyond, complete step 4 below, prior to starting step 3.**
- (4) Complete Column (L), Amount Previously Paid by manually entering the amounts from Column (K) of the previous Form 259 into current Form 259 Column (L). If there were no paid previous construction costs, this Column will be zero dollars (\$0).
- (5) If applicable, complete line items for Positive Construction Change Orders and/or Negative Construction Change Orders in column (H). Do not carry the change orders over to column (K) on Form 259. Please itemize the Construction Change Orders on the Change Order Approval Form (see attached Form) provided upon execution of the agreement. Also, provide copies of all change order invoices.
 - a. Please note: Construction Change Orders are direct construction costs from the contractor. All other change orders (indirect costs) are eligible for reimbursement on the final reimbursement request at project completion upon approval and availability of funds.

(6) Any retention withheld from the contractor should be entered into Columns (H) and (K), just below the Subtotal. If the retention was deposited into an Escrow Account, the Recipient must provide a copy the Escrow Agreement, Certificate of Deposit or Letter of Credit.

(7) Total Column (H). Enter the “Costs Incurred to Date” for construction costs.

(8) Total Column (K). Enter the “Costs Claimed for Payment to Date” for construction costs.

For Change Orders, transfer the net figures from the positive and negative Change Order rows on the Form 259 to the Form 260 “Amount Claimed for Payment this Period (4).”

DOCUMENTATION:

With the Form 259, 260, and 261, the Recipient must include the following:

- (1) Invoices, receipts, or other documentation acceptable to the Division to substantiate the reimbursement of eligible costs. If requested by the Division, invoices and backup documentation must include employee names, classification, rate, and hours worked towards project. If there are expenses and/or sub-consultant costs accounted for in the invoice, additional backup documentation may also be required for those specific expenses/costs. Reimbursement of Project Funds will be made only after receipt of a complete, adequately supported, properly documented, and accurately addressed Reimbursement Request. Reimbursement Requests submitted without supporting documents may be wholly or partially withheld at the discretion of the Division.
- (2) A copy of the complete Construction Contractor’s Pay Estimate, which must be itemized by bid item for the project as outlined in the original bid and the Final Budget Approval, as required. If the Construction Contractor’s Pay Estimate is itemized differently than what is outlined in the original bid document, then the Recipient must provide documentation to show correlation between the Construction Contractor’s Pay Estimate and the original bid. Both the Recipient and the contractor must sign the Construction Contractor’s Pay Estimate.
- (3) Copies of all approved construction change orders (positive and negative) and backup documentation for each change order.
- (4) Recipients requesting reimbursement for travel expenses may only invoice the amount permissible under State of California travel policies. Reimbursement requests must contain supporting documentation to account for the following elements for any travel undertaken by the recipient’s staff: name/title of the traveler, dates travelled, travel purpose, to/from destinations, distance, and rate of mileage. Travel outside the State of California, for recipients, contractors, consultants, and/or service providers will only be disbursed if written authorization is obtained from the Division prior to travel. The State travel policies regarding mileage reimbursement rates and short-term lodging reimbursements rates and per diem amounts allowable for meals are available at <http://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>. Recipient travel will be reimbursed as a direct expense.

- (5) Disbursement of Allowances (soft cost) will be made on actual costs incurred and may be disbursed after the financing agreement is executed.
- a. A summary sheet should be included for all soft costs. You may either create a summary sheet or use the summary sheet provided. It should include a brief description of the work performed (if not specified on the invoice), Vendor Name, Cost Cover Period, Invoice Number, Invoice Total, and Amount Claimed.
 - b. Surcharge/Indirect costs should be in accordance with the Agreement.

WHERE TO SEND REIMBURSEMENT REQUESTS

Reimbursement requests can be submitted electronically or mailed.

Mailing Address:

State Water Resources Control Board
Division of Financial Assistance
Loans & Grants Admin Section
Attn: Disbursement Unit -16TH Floor
Post Office Box 944212
Sacramento, CA 94244-2120

Electronic disbursement request submittals must be emailed to:

DFA-Disbursements@waterboards.ca.gov

Reimbursement requests submitted electronically must be submitted by the Authorized Representative or Authorized Representative's designee. The Authorized Representative must be courtesy copied on the emailed submittal.

In the event a reimbursement request is submitted via the State Water Board's Financial Assistance Application Submittal Tool (FAAST), a notification email, including the Authorized Representative, must be sent to the Disbursement email inbox listed above. Failure to do so may result in the reimbursement request not being processed timely.